

Israelis Act to Stop Disorder, Seize Hundreds of Palestinians

By John Kifner
New York Times Service

JERUSALEM — The Israeli Army arrested hundreds of Palestinians in sweeps as the government pressed tough measures Wednesday to smother two weeks of disorders in which at least 22 protesters have been shot to death.

The sweeps began Tuesday night. Heavy reinforcements of troops were evident Wednesday in the West Bank and Gaza Strip.

Jabalya Camp, a center of protest in the Gaza Strip, was sealed off by the army. Outside of Bethlehem, soldiers put up barricades outside Dheishe refugee camp, allowing only pedestrian traffic.

Troops also surrounded the Amari refugee camp near Ramallah.

In a cold, drizzling rain for much of Wednesday, the reinforced army patrols met only scattered incidents of stone throwing.

In other developments, the UN Security Council adopted a resolution strongly deplored Israel's handling of the disturbances in the occupied territories. The United States abstained. All 14 other council members voted in favor.

The resolution "strongly deplores" Israeli policies and practices in the occupied areas that "violate the human rights of the Palestinian people, and in particular the opening of fire by the Israeli

Army, resulting in the killing and wounding of defenseless Palestinian civilians."

The Foreign Ministry formally protested the United States' failure to veto the UN resolution. The Associated Press reported from Jerusalem. A statement defended Israel's actions in dealing with Arab rioters and said that Israel was doing its utmost to maintain order in the area "while displaying the highest degree of self-restraint."

Outlining the clampdown before parliament, Defense Minister Yitzhak Rabin said: "We will fight with all our power against any element that tries by violence to upset our full control over Judea, Samaria and the Gaza Strip," using the Biblical names for the West Bank favored by the Israelis.

The army began its crackdown with sweeps through the refugee camps and some Arab areas outside the occupied territories, rounding up suspects for interrogation and arresting those deemed to be leaders.

The Palestine Press Service put the number of arrests at about 350, including about 100 in the Gaza Strip. The military command confirmed the arrests were going on, but refused to give any numbers.

In Nazareth, in Israel itself rather than the occupied territories, about 100 suspects were rounded up for questioning and 55 held, Israel radio reported.

In detailing the tough policy, after a series of meetings of the top military officials to determine how Israel would deal with the unrest, which has ranged from crowds throwing rocks and Molotov cocktails to strikes, Mr. Rabin said it could result in "hundreds of arrests."

Mr. Rabin, since his return from a trip to Washington this week, has been pressing for hard action. Ze'ev Schiff, the military analyst of the daily Ha'aretz, wrote that the policy entails a willingness to make use of force against rioters.

The army has ordered shut about 800 schools on the West Bank and in the Gaza Strip in order to prevent them from becoming rallying or assembly points. Several universities have also been shut.

The defense minister's report to the Knesset, or parliament, came at a tumultuous session in which a number of rightist members, angry that Arabs who are Israeli citizens joined a general strike to support Palestinians, called for the reimposition of military law on Israeli Arabs.

"Soon they'll be throwing rocks on us right here," said Guelia Cohen, a vocal member of parliament.

Rafael Eitan, the army chief of staff during the 1982 invasion of Lebanon and now a Knesset member, said the only effective method was to load the leaders of the demonstrations on trucks and "kick them out."

The strike by the Israeli Arabs appears to have been a shock to many Israelis.

Remarkings on the strikes in a speech the other night, Prime Minister Yitzhak Shamir said that "the government was surprised by the force of hatred in disturbances and attacks in cities such as Lod, Jerusalem, Jaffa and Acre."

Spain's action is the first important unilateral reduction of U.S. forces ordered by a European ally since France closed U.S. installations in 1966 and withdrew from the North Atlantic Treaty Organization. It creates the potential for a bitter and divisive dispute that officials in both countries say they have been successful in avoiding thus far.

The sudden decision by Mr. Gonzalez to declare the departure of all 72 F-16s from Torrejon air base a "non-negotiable" issue and to set a withdrawal deadline for the U.S. Embassy on Dec. 10. The decision has been a closely held secret in both countries since then, according to these sources.

The failure after 18 months of negotiations to reach an agreement on Torrejon casts doubt on the future of the other 8,000 U.S. service men stationed in Spain at a large naval station in Rota, air bases near Zaragoza and Seville and on nine small communications facilities.

Mr. Gonzalez, who is keeping a pledge made to his electorate in



Israeli soldiers in a Bethlehem street on Wednesday. (AP Wirephoto)

Soviet Afghan Offensive Is the Biggest in 2 Years

By David B. Ottaway
Washington Post Service

WASHINGTON — The Soviet Union has opened its biggest military operation in Afghanistan in two years, with 10,000 Soviet and Afghan troops fighting their way across a mountain road closed for seven years to break a siege by U.S.-armed guerrillas of the long-isolated garrison town of Khost, according to Pentagon officials.

The unusual winter offensive, at a time when Soviet leaders are increasingly talking about withdrawing their troops from Afghanistan, has puzzled U.S. military analysts.

They said there was no way the Russians can keep the road open, even if the combined Soviet-Afghan force reaches Khost.

"Militarily it doesn't make much sense," a Pentagon official said. "Maybe while withdrawing, they want to show they are not going to be run out of the country, that this is a good way to show your resolve."

Other officials said the Russians, who have had great difficulty in resupplying the Khost garrison by air this year, might have feared that losing the southeastern town to the guerrillas would have been a serious blow to the shaky Soviet-backed Kabul government.

Pentagon officials said that an Afghan Army division was based in

Kiosk

All Are Freed In Rome Hijack

ROME (AP) — A young hijacker of a KLM airliner was seized by security police Wednesday night at Rome's Leonardo da Vinci airport, and all 97 people aboard left the plane unharmed, control tower officials said.

State-run RAI television said the police captured the hijacker, believed to be a Dutch boy of Italian origin. He was identified as Adalgiso Scioni, about 15. The plane had been on a flight from Amsterdam to Milan.

The hijacker had demanded 1 million guilders (about \$450,000) and threatened to blow up the Boeing 737, according to KLM officials. Italian news agencies reported earlier that the hijacker had claimed to be holding a clock rigged with explosives and threatened to blow up the plane if his demands were not met.

See OFFENSIVE, Page 6

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Contra Chief, Claiming Success, Says Troops Leaving Nicaragua Mine Area

By Wilson Ring
Washington Post Service

NEAR THE HONDURAS-NICARAGUA BORDER — A Nicaraguan rebel commander said his troops would pull out of a mining area in northeastern Nicaragua after a two-day offensive against three remote towns that he claimed had been the largest and most successful ever mounted by the rebels, who are known as the contras.

The commander, Enrique Bermudez, said that the attack showed that the contras could carry out attacks against important targets throughout the country.

The contras, Mr. Bermudez said, would abandon the territory because of the possibility of retaliatory government ground and air strikes.

He said Tuesday that 4,400 troops used in Sunday's attacks were withdrawing from the town of Bonanza. He added that the contras had left Siuna on Monday and had disengaged from combat around La Rosita, the only community not completely overrun. He said the troops were to return to their normal operating areas.

"We hit them hard," he said. "We achieved all our objectives."

He spoke to reporters at a base in the jungle not far from the Coco River, which forms the border between Honduras and Nicaragua. The reporters were taken there on the condition that they not reveal its location.

The attack appeared to have been the most ambitious undertaken by the U.S.-backed rebels in their six-year war against the leftist Sandinist government. But the area, about 150 miles (240 kilometers) northeast of Managua, is difficult to reach and there has been no



Enrique Bermudez, with some of his troops in the jungle on Tuesday, speaking of the attack. (Nancy McGovern/Reuters)

independent confirmation of claims by either side.

In Managua, the Sandinist government said its troops were in control of all three towns and that the contras "are fleeing to their sanctu-

aries with the Sandinist Army on their heels."

The official press agency, quoted by Reuters, said at least 150 persons — 70 contras, 30 government

See CONTRA, Page 6

By Francis X. Clines
New York Times Service

LONDON — Muttering about misery and a woman, Johnny Connors was drunk anew before noon, oblivious to Christmas caroling after reeling from the darkness of his makeshift cardboard sleeping shelter. He ascended as a burned-out Orpheus from the dwellings that are Jerry-built nightly down below the glittering South Bank arts center.

"It's a misery that hits your heart, then you're destroyed," Mr. Connors declared, refusing to say more about the woman sometimes still troubling him, he said, after each blank night of drink and each recycling of time through such conspicuous non-occasions as Christmas.

One flight up, well-dressed children were arriving for a Christmas pageant and Mr. Connors frightened a few of them as he staggered up to beg with his cane.

Among the 30,000 homeless in London this winter, Mr. Connors is one of the 3,000 who rough it by spurning the bed-and-breakfast welfare warmth and sleeping on the streets as the elite of the growing homeless population. He is a 50-year-old reminder that sometimes there is no Dickensian ending in the place where it was invented, only hard times and

harsh words resonating unresolved across the Yuletide damp.

Some of the harshest words involve a government campaign to tighten immigration laws and deport Tamil refugees accused of exaggerating their plight. In the debate, a new bill to limit refugees' right of appeal was denounced by critics as "tawdry" toward humanity; critics were in turn accused of a "mealy mouthed" pretense of compassion.

To further bark the mortals' discord, witness as in Parliament heard a previous Tory prime minister, Edward Heath, denounce the current Tory prime minister, Margaret Thatcher, for her plan to replace real estate taxes with a simpler poll tax. Mr. Heath said it rewards the party's affluent constituency at the expense of the poor in a spirit of electoral "hated and revenge" in which, he charged, Mrs. Thatcher's habit was to treat critics as "the scum of the earth."

His cry, so Dickensian in outrage, hardly slowed the tide of believers moving north along the Oxford Street shopping core where sales are booming, seasonal thieves are being arrested at the rate of 100 a week, and shoplifting is totaling \$900,000 a day.

Charity is well in evidence, although some experts say it is all too seasonal an impulse. "It's almost not worth asking for help the rest of

the year," said Stuart Craig, manager of Crisis at Christmas, a charity that each year uses a paid staff of two and 800 volunteers to house thousands of homeless and to raise more than \$700,000.

One twist in seasonal generosity is the new charity for stabilizing trees rather than people because of all the storm damage last fall. As if in compensation, a new shopping service for the affluent, Dial a Christmas Tree, delivers a spruce quickly for as much as \$40, with 30 cents of the price donated to human charity — not the handsome Christmas splurge enjoyed by the Cratchits, perhaps, but a nod of Noel for tax purposes.

Mundane aberrations of the season include the fistfight two fathers suddenly began in the aisle the other night at New End Primary School during their children's Christmas pageant. More prominently, there was the public call from James Anderson, a respected police constable and Christian fundamentalist, that flogging be restored as punishment for criminals. Mr. Anderson is no stranger to controversy, having denounced AIDS sufferers for "swinging around in a cesspool of their own making."

However, Ian McKellen, the actor, is donat-

See LONDON, Page 6

Dealers Doubt G-7 Statement Will Help Dollar

By Carl Gewirtz
International Herald Tribune

PARIS — The dollar made modest gains in thin pre-holiday trading Wednesday, but foreign exchange dealers were skeptical that Tuesday's policy statement by major industrialized countries would be sufficient to alter the currency's long-term downward trend.

The overnight statement on exchange rates from the Group of Seven — although widely expected following President Ronald Reagan's signing of a bill to cut the federal budget deficit — did have a positive effect in the absence of any sales pressure, dealers said. But they attributed Wednesday's gains to the fact that the market is basically closed for the rest of the year.

In New York, the dollar ended at 1,6335 Deutsche marks, up from Tuesday's close of 1,6280 DM, and it was also higher in London. (Page 13.)

But looking beyond the market's present artificial calm, dealers saw nothing substantially new in the G-7 statement that was likely to reverse the pervasive negative sentiment concerning the outlook for the dollar.

The key phrase of the new accord says officials agree that "excessive fluctuation of exchange rates" either up or down, "that becomes destabilizing" . . . could be counterproductive.

There was no specific commitment to action by the Group of Seven, which comprises the United States, Japan, West Germany, Britain, France, Italy and Canada. The statement said that the ministers "re-emphasized their common interest in more stable exchange rates."

Berly W. Sprinkel, President Ronald Reagan's chief economic adviser, made a point of this on Wednesday, saying that the new statement does not explicitly include a commitment to support the dollar at current levels.

Asked by reporters whether the United States had agreed with its partners to pull out of Spain and launch a diplomatic campaign to punish Mr. Gonzalez if he went through with what they see as an expulsion of the F-16s.

In an interview published Wednesday by the Madrid magazine El Globo, the chief U.S. delegate made a pledge made to his electorate in

See SPAIN, Page 6

to foster stability of exchange rates around current levels."

European officials stress that the objective is not to push the dollar up, but to keep it from falling further. Tuesday's communiqué specifically noted that either a rise or a fall could be "destabilizing."

But analysts say the new statement in fact represents a considerable watering down of the previous G-7 statement.

The new statement says the seven will "cooperate closely in implementing policies to strengthen un-

The U.S. has lowered its forecast for '88 GNP growth due to the market crash. Page 9.

derlying economic fundamentals to foster stability of exchange rates."

In other words, analysts say, there is now a realization that official stabilization of exchange rates can work only if the rate that is being defended is consistent with improvement in economic fundamentals.

To be credible, the prospect of official intervention in currency markets would have to include a readiness by the United States to raise interest rates. But given the reduced prospects for U.S. growth after the October crash in stock prices and the campaign for the presidential election next November, a hike in U.S. interest rates is widely believed to be out of the question.

One other possibility would be a willingness by the United States to issue foreign currency bonds that would show it was committed to stabilizing rates, but Reagan administration officials in Washington specifically ruled that out.

The basic issue for the dollar is how the huge U.S. current-account deficit will get financed. Current account measures trade in goods and services as well as interest, dividends and certain transfers.

The choices are: voluntarily, as until early this year, when foreign investors led by the Japanese were eager purchasers of dollar assets — stocks, bonds, real estate; or involuntarily, as in most of this year, by foreign central-bank intervention in currency markets.

The problem about intervention is that limits exist on how far for-

See G7, Page 13

Interpol Takes It on the Lam — to Lyon

By Barry James
International Herald Tribune

PARIS — The law's longest arm is growing longer. Interpol, the international criminal police organization, is moving from Paris to new high-tech headquarters in Lyon, in southern France.

The 146-nation organization's general secretariat is putting all its records into computers and upgrading its communications in preparation for the move, which is scheduled in about a year.

What this means, according to Antonino Lazzoni, an Italian police inspector who heads the Criminal Investigation Department, is that by the time the secretariat transfers to Lyon, police forces in most parts of the world will be able to retrieve details, mug shots and fingerprints of wanted criminals within a matter of seconds. "Retrieval will be in real time, it will be instantaneous," Mr. Lazzoni said.

With the world's underworld getting richer, more powerful and more international all the time, police needs grow accordingly. Interpol is expanding to meet that need. The present staff of 280, supported by liaison offices around the world, is likely to grow once the organization moves to its new home.



Roh Says He Will Quit If South Koreans Show Disfavor in Plebiscite

By Clyde Haberman
New York Times Service

SEOUL — President-elect Roh Tae Woo says he will give up the presidency if he loses a public vote of confidence that he has pledged to seek after the 1988 Olympic Games here.

Mr. Roh, who was elected Dec. 16 with barely one-third of the vote, said Tuesday that he would have to win a majority in the plebiscite on his performance, which he presumably plans to hold within the next year or so.

"Of course, if people say no in the vote of confidence, I shall resign," he said in an interview.

Mr. Roh also acknowledged for the first time that some people in his ruling camp had been guilty of campaign misconduct.

But he insisted that the wrongdoing consisted of "partial, isolated irregularities" and not the widespread fraud that opposition candidates say was used to steal victory from them.

If anything, Mr. Roh said, the opposition was guilty of far worse. He said he had been put "at a disadvantage" because of the sporadic violent attacks that he encountered when campaigning in his opponents' regional strongholds.

"If the opposition can come up with evidence of their own to show irregularities," Mr. Roh said, "I think we have more evidence to prove that they have engaged, too, in irregularities."

Mr. Roh was interviewed for 45 minutes in an office near the headquarters of the Democratic Justice Party.

Throughout, he spoke in a soft voice, consistent with his attempts to portray himself as an "ordinary man" who is different from the cool, aloof and unpopular incumbent, Chun Doo Hwan.

In reality, many South Koreans, perhaps most, are likely to regard Mr. Roh initially as an extension of President Chun when he begins his five-year term on Feb. 25. The two men are longtime allies who rose to power together in late 1979 as leaders of an uprising by relatively young army generals.

Mr. Roh, 55, put the vote-of-confidence idea forward in the final days of the campaign to give his candidacy a last-minute boost. On Tuesday, speaking in Korean through an interpreter, he said that

he had no regrets, although the promise could come back to haunt him.

"I have set a goal," he said, "and by doing so, I'm telling myself and people in the party who are around me to work hard to accomplish what has been promised."

On another matter, Mr. Roh said that he could have won the election even if rivals had set aside their differences and unified behind a single anti-government contender.

Combined, the two main opposition candidates, Kim Young Sam and Kim Dae Jung, had 55 percent of the vote. Altogether, including smaller parties, the anti-government forces had 63.4 percent, leaving Mr. Roh with 36.6 percent and the headache of having to establish his legitimacy when he takes over in February.

"If the opposition came up with a single candidate, I expect that a considerable portion of the vote that went to it in a three-way race might have come to my support, and I could win even in that two-way race," he said.

He also said in response to a question that the "overwhelming majority" of South Koreans believe that the two Kims should get out of politics. "I know that from reports in the newspapers and other displays of public opinion," he said.

"And I think the two Mr. Kims themselves know how the people feel about that," Mr. Roh added.

It was clear, however, that the two Kims had no intention of retiring, and Kim Young Sam, who finished second last week, said that his party was already preparing for another key test — National Assembly elections that will be held early next year.

In separate interviews Tuesday, Kim Young Sam and Kim Dae Jung seemed dispirited and at a loss about what to do next.

For now, though, the popular mood seems to be to blame them for having let ambition get in the way, thereby splitting the anti-government vote.

Clash in Seoul

Christmas shoppers fled from tear gas and gasoline bombs on Wednesday when students and dissidents protesting against the alleged rigging of the presidential election clashed with riot police in Seoul, Reuters reported.



BREATHTAKERS — Four young women in Tokyo pausing for a three-minute bracer of pure oxygen from mini-

containers being sold at a department store bar. The manufacturers say oxygen is a great way to beat fatigue.

Atsushi Tanaka/The Associated Press

National Tragedy Mars Manila Christmas

By Barbara Crossette
New York Times Service

MANILA — The mile or two separating the glittering hotels of Manila from the garbage-strewn North Harbor docks of the Sulpicio Shipping Lines measures the distance between two Filipino nations.

Christmas is a holiday of immense importance in the Philippines, the only predominantly Christian nation in Asia.

Rich or poor, Filipinos head for Manila to spend the holiday with their families.

The well-to-do travel by plane, the poor by inter-island ship.

On Sunday, one of Sulpicio's inter-island passenger ships, the MV Dona Paz, sank in flames with at least 1,500 people on board — survivors say the figure may be much higher than that — after a collision with a small oil tanker. There were only 26 confirmed survivors.

(The Philippine Navy said Wednesday that 141 bodies have been found. The Associated Press reported from Manila.)

President Corazon C. Aquino called the accident one of the worst in maritime history, "a national tragedy of harrowing proportions."

She called on the more fortunate to help the families of the Dona Paz victims, most of them poor. "Our sadness is all the more painful because the tragedy struck with the approach of Christmas," Mrs. Aquino said in a statement read by her press secretary.

In the better seafaring neighborhoods of Manila, there are string orchestras, women in pastel gowns and choirs singing carols as this city swings into its peak social season.

Wide-bodied jets disgorged thousands of revelers home from abroad, bearing electronic toys and other expensive gifts.

Not far from the fancy neighborhoods, along the harbor past some of Asia's worst slums, Rupa Nando waits mutely in her worn housekeeper's clothes at Sulpicio's waterfront office. As she sits under the glow of neon lights, the only sounds around her are sobs. Her sister is missing.

The passengers on the Dona Paz, some of them dislocated by a typhoon that swept their islands earlier this month, were looking forward to Christmas in Manila. Here, a Coast Guard official said, they had family, warmth and support.

"We had a telegram saying she

was coming on the Dona Paz," a relative said of Nando's missing sister, Consolacion Nando Garcia. "We came two hours on a bus to meet her."

Five Coast Guard ships, two commercial vessels and divers are searching in the area where the 2,215-ton Dona Paz and the 629-ton tanker, the MT Victor, were reported to have gone down.

A Coast Guard official said on Tuesday that he thought the waters where the search was concentrated might be more than 1,700 feet deep. Clouds and occasional squalls were also hampering search efforts.

Owners File Complaint

The owners of the Philippine ferry that sank filed a formal complaint on Wednesday, saying the tragedy happened because their vessel was rammed by a tanker.

Reuters reported from Manila. The Coast Guard said it would open formal hearings on Monday.

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ferry that sank filed a formal complaint on Wednesday, saying the tragedy happened because their vessel was rammed by a tanker.

Xinhua said the sentences were handed down Sunday in Chengdu, the capital of Sichuan Province, which is the home of most giant pandas still living in the wild. They have become an endangered species because of their low fertility rate, a shortage of the wild bamboo that they feed on and human predators.

Ulster Moderates Decry IRA Killing

BELFAST (AP) — Catholic moderates Wednesday decried the bombing murder of a leading Protestant activist, John McMichael, saying he could have played a role in bringing peace to the province.

Mr. McMichael, 39, was fatally wounded Tuesday night when he turned on the ignition of his car and detonated a bomb, the police said.

The IRA claimed responsibility. It said Mr. McMichael was plotting a Christmas bombing campaign in the Irish Republic.

The moderate Social Democratic and Labor Party, which is mostly Catholic and opposes the IRA, denounced the killing.

Black Mob Kills 4 in Natal Township

JOHANNESBURG (Reuters) — A mob burned and stabbed four people to death in a Natal township amid signs that feuding between rival black political groups in South Africa was intensifying.

A police spokesman in Pietermaritzburg, Natal Province's capital, said a crowd of about 50 people killed two women and two teen-age boys on Tuesday after raiding a house in Healey Dam township. He said the group poured gasoline over the victims and set them alight. When two tried to flee, they were stabbed to death. Another woman was in serious condition.

The victims apparently were allied to the conservative Inkatha movement of Zulus, which is in conflict with the leftist United Democratic Front. The two groups disagree over anti-apartheid strategies.

TRAVEL UPDATE

Engine Mounts on 737s to Be Checked

WASHINGTON (AP) — Federal aviation investigators have urged closer inspection of engine mounts on hundreds of Boeing 737 aircraft to detect possible cracking after an engine fell off a USAir jet during flight earlier this month.

The National Transportation Safety Board said Tuesday that the engine separated from the plane shortly after it left the Philadelphia airport because of cracking caused by metal fatigue in one of the three bolts holding the engine in place. The plane returned to Philadelphia and made a safe landing. The board expressed concern, however, that the cracking, which investigators said existed before the incident, had not been detected. Boeing has delivered about 1,100 of the Boeing 737 worldwide.

Air travelers can find out how flights compare in on-time performance if they ask their reservationist under a U.S. program that took effect Tuesday. Travel agents and reservation clerks have performance data about flights in their computerized reservation systems.

(AP) Athens Christmas shoppers faced problems Wednesday as more than 17,000 taxi drivers started a 48-hour strike and streetcar operators staged a five-hour stoppage. The cab drivers are protesting pollution control measures that will curtail taxi traffic in the heart of the city.

The Italian airline Alitalia and its subsidiary ATI said Wednesday they would cancel about 50 flights a day for the next two weeks because lengthy strike action had delayed essential maintenance work on their aircraft.

Spanish rail workers staged a series of stoppages Wednesday to protest job cuts. A spokesman for the railroad said only about 20 percent of workers heeded the call to strike for three hours in each shift. But a spokesman for the union said about 75 percent stopped work. A similar strike was held Friday and another is planned for Jan. 8.

Lack of snow in Swiss alpine resorts has forced many ski lifts to close, and only slopes above the tree line are fit to ski on, the Swiss national tourism office said Wednesday.

(Reuters)

Iran Facility Pumping Oil After Attack

Reuters

DUBAI, United Arab Emirates

— A giant storage tanker at Iran's Larak Island oil terminal was operating normally on Wednesday despite fire that engulfed its crew quarters following an Iraqi air attack.

The gunman then tossed a hand grenade into the car, destroying it and scattering parts across the street, police said. The gunman and his accomplice escaped on foot.

The Front is composed largely of young Sinhalese who oppose the Indian-Sri Lankan agreement to end the Tamil minority rebellion. Police say it has killed about 265 officials or supporters of the ruling party since the pact was signed in July.

Mr. Abeywardene was re-elected chairman of the party at its annual convention on Saturday.

President Junius R. Jayewardene, the designated leader of the party, told the convention that the police had conclusive proof that the Front was responsible for an assassination attempt on him and other government members in Parliament in August.

A deputy minister and a Parliament official were killed and six

injuries were suffered.

The attack appeared to be in retaliation for the Iraqi air strike Tuesday on Larak Island.

The sources said two other super tankers hit in the Iraqi attack, the world's biggest ship, the 564,739-ton Liberian-flag Seawise Giant, and the 457,927-ton British vessel Burmah Enterprise, were only slightly damaged.

Shipping sources had earlier accused the tankers attacked as the World Petrobras, the Seawise Giant, the Burmah Enterprise and the Maltese-flag Free Enterprise.

The sources said the confusion occurred because two of the ships were moored alongside the World Petrobras, which burned for nine hours before tugs extinguished the flames.

The Iraqi Mirage jets flew the 550-mile (890-kilometer) length of the Gulf to attack on Tuesday.

Meanwhile, President Francois Mitterrand of France, interviewed Wednesday on the bridge of the aircraft carrier Clemenceau in the Red Sea, ruled out any quick withdrawal of a French naval task force from the Gulf region.

He was responding to suggestions that France would reduce its naval presence due to a warming of ties with Iran that led to the release of two French hostages in Beirut.

"The task force's mission is not over," Mr. Mitterrand said.

Correction

The dollar's close against the Deutsche mark in New York was misspelled in the currency markets story in Wednesday's late edition. The correct rate was 1.6280 DM.

Chirac Made Arms Sales To Iran, Paper Asserts

By Youssef M. Ibrahim
New York Times Service

PARIS — France's arms dealers with Iran, which began in 1983 under President Francois Mitterrand, continued as late as this summer under his political rival, Prime Minister Jacques Chirac, French news reports suggested over the weekend that France might reward Algeria for having helped gain the release of the hostages.

Le Monde asserted that Mr. Chirac was willing to pay a higher price for Algerian gas to settle the debt to the Algerian authorities.

Le Monde contended that the additional payments would cost France an extra \$113 million.

Montand Got Fee

Yves Montand, the French actor and singer, said Wednesday that he received a 800,000 franc (\$145,500) fee for a television appearance.

Mr. Chirac denied last week that any ransom had been paid or arms delivered to win the hostages' release, and he declared that France would not withdraw its fleet from the Gulf.

But Le Monde said Tuesday that Mr. Chirac's conservative government, which just indicted three men for conspiring to break France's embargo and export weapons to Iran from 1983 to 1986, had continued the sale of munitions and explosives to Iran.

The report that the arms sales continued under Mr. Chirac was portrayed by his administration as a politically inspired attack. The Defense Ministry denied Tuesday

DOONESBURY





SUBMERGED CAR — Jack Feinerman, 85, seated at right with his wife Judy, being comforted by friends as he contemplates his car. He lost control of the vehicle and

drove it into a swimming pool at a condominium in Boca Raton, Florida, killing a man lounging at poolside. Mr. Feinerman was charged by police with reckless driving.

Effects of Budget Cuts Appear Minimal

By Paul Blustein
Washington Post Service

WASHINGTON — The spending and tax bills signed by President Ronald Reagan will not actually shrink the U.S. budget deficit from this year's level, budget experts said, but rather will only keep the deficit from significantly widening.

Moreover, some of the savings said to be part of the legislation that was signed on Tuesday — such as provisions that simply shift spending into the future — have minimal effects on the nation's long-run fiscal woes.

True savings were enacted, however, and the fact that the White House and Congress finally moved forward with their budget agreement will reduce the risk of disaster in financial markets, economists said. In addition, the outcome pleases America's trading partners, making them more likely to cooperate with the United States in keeping the world economy growing, according to administration officials.

That, in short, is the economic impact of the two pieces of budget and tax legislation that lawmakers spent the past eight days drafting and nearly all night Monday approving.

The first thing to understand about the measures budget experts said is that they do not cut the deficit, at least not in the way that most people think. The federal deficit was \$148 billion in the 1987 fiscal year, which ended Sept. 30.

If the economy grows sluggishly next year, as many economists expect, the deficit will probably widen to between \$160 billion and \$170 billion in the next fiscal year, and further the year after, according to budget analysts in the administration, Congress and outside government.

But such an outcome represents a meaningful accomplishment in that the deficit has been cut from the levels that it would otherwise reach.

NEWS ANALYSIS

the elderly. A Senate Republican staffer, noting that actual cuts were made in the target prices for commodities used to determine subsidy payments, said, "I'm amazed we pulled that one off."

But there are several questionable savings, especially in domestic spending accounts, sprinkled throughout the package. The legislation purports to shrink the projected deficit by \$33.2 billion in fiscal 1988 and \$4.8 billion in fiscal 1989. Of that two-year, \$79 billion total in promised savings, about \$1.1 billion is achieved by delaying Medicare payments to doctors and hospitals, so that some of the cost is simply deferred.

Another \$500 million comes from allowing federal retirees to spread benefits over two years — again, deferring expenses. Another \$500 million comes from a tenuous promise by the Postal Service to improve productivity.

Of all the questionable savings, the biggest is a provision promising to cut more than \$7 billion in fiscal 1988 by allowing certain entities that have borrowed from the government, including the state of Israel and rural electrification cooperatives, to prepay their

loans. This brings immediate revenue into federal coffers, but means that the government forgoes even more money later.

To Wall Street and financial markets overseas, the legislation, despite its flaws, provides modest comfort.

"If they hadn't done it, there would have been a severe reaction," said Stephen Axilrod, vice chairman of Nikko Securities Co. International.

David Resler, chief economist at Nomura Securities International Inc., said: "The broad outlines of the package are pretty much as advertised."

An administration official said that the value to the markets and the nation is primarily symbolic, because "it's important to indicate that the executive branch and Congress can work together."

Perhaps even more significant, this official said, is the potential impact on U.S. trading partners, especially Japan and West Germany. Allied governments have cited the U.S. budget deficit as a major cause of world trading imbalances.

The United States, in turn, wants Bonn and Tokyo to adopt measures to absorb more imports. One administration official asked, "Where's our negotiating stance?" without this implementation of the budget agreement.

"What do we say to our trading partners?"

Some analysts said Mr. Reagan's signature on a tax increase could have another sort of symbolic impact — improving the political climate for a major tax increase when his successor takes office.

But others contended that the tax increase is so modest that the politics of the issue have not changed. William Schneider, political analyst at the American Enterprise Institute, said: "Serious deficit reduction has been put off until the next administration."

North's Lawyer Sought Reagan Pardon

By Walter Pincus
Washington Post Service

WASHINGTON — Last January, in the early stages of the Iran-contra investigations, the attorney for Lieutenant Colonel Oliver L. North, the former White House aide, sought a presidential pardon for his client during a previously undisclosed White House meeting.

The meeting was with David M. Abshire, who was then special counselor to the president coordinating Iran-contra strategy for the White House.

Colonel North's lawyer, Brendan V. Sullivan Jr., was granted the meeting after a Jan. 16, 1987, telephone call from Mr. Sullivan to Attorney General Edwin Meese III. The call was taken by Associate Attorney General Stephen S. Trott, and Mr. Sullivan told Mr. Trott he wanted to meet privately with President Ronald Reagan.

Mr. Sullivan refused to specify what he wanted to discuss with Mr. Reagan. Several days later the lawyer was received by Mr. Abshire, according to former White House aides and to still secret testimony before the congressional Iran-contra committees.

Mr. Abshire said Tuesday that the thrust of the presentation by Mr. Sullivan was that Colonel North deserved a pardon because he was "a man trying to do his duty, serving the president."

Mr. Sullivan, according to Mr.

Abshire, also said during the meeting that "this thing could drag on" and he "may have also mentioned" that a pardon would permit Colonel North to testify freely before Congress.

At that time, the independent counsel, Lawrence E. Walsh, was just beginning his criminal investigation; the congressional Iran-contra committees were organizing and preparing for public hearings, and Colonel North had already invoked his Fifth Amendment right not to testify before three congressional committees on the ground that he might incriminate himself.

Mr. Reagan's strategy at that time was to get Colonel North and his former superior at the National Security Council, Rear Admiral John M. Poindexter, to tell their stories before Congress under grants of limited immunity, Peter Wallison, then the White House counsel, said Tuesday. However, Mr. Walsh had formally requested the Iran-contra committee to delay granting immunity to any witnesses.

Mr. Abshire said Mr. Sullivan

was told that "no consideration was being given" to pardons, but that "what he said would be passed on." Also attending the meeting were Mr. Abshire's deputy, Charles Brower, and an assistant to Mr. Wallison.

Mr. Wallison said Tuesday that no action was taken on Mr. Sullivan's request.

Administration officials ac-

knowledged that the handling of Mr. Sullivan's request for a meeting reflected their nervousness about Colonel North's lawyer and the difficulties he and his client might cause for Mr. Reagan.

In a deposition given the Iran-contra committee on July 2, 1987, Mr. Trott said he took the Jan. 16, 1987, call that Mr. Sullivan originally had made to Mr. Meese. Mr.

Sullivan "wanted to get through to Reagan," Mr. Trott said, according to sources who have read Mr. Trott's deposition.

After consultations, Mr. Trott told Mr. Sullivan that he should get in touch with Mr. Abshire, who had been appointed counselor to Mr. Reagan on Dec. 27, specifically to handle the Iran-contra affair.

Mr. Abshire said Tuesday that there was "nothing inappropriate" about Mr. Sullivan's request, but that he did not want to "be a channel for lawyers."

Mr. Wallison said the White House was worried about such approaches and "didn't want to have any discussion of pardons or any other special treatment for No and Poindexter." If such a request were made, Mr. Wallison said, Mr. Abshire was "to listen to the proposal without making any statement about whether it would be considered."

Mr. Abshire said that Mr. Sullivan "simply was making his case for his client. I didn't go beyond that brief. I am not the president" and thus could not turn down the request, but only outlined "the process being pursued" in support of investigations by others.

FBI Memo Says Nixon Aide Requested Information on Homosexuals in Press

By Eleanor Randolph
Washington Post Service

WASHINGTON — In November 1970, President Richard Nixon's chief of staff, H.R. Haldeman, asked the FBI director, J. Edgar Hoover, to pass on any information the agency had collected about homosexuals "known and suspected in the Washington press corps," according to a newly discovered memo of the conversation that Mr. Hoover made at the time.

Mr. Hoover addressed the memo to his five assistants.

In it, he said that Mr. Haldeman had called and "stated the president wanted him to ask, and he would imagine I would have it pretty much at hand so there would be no specific investigation for a rundown on the homosexuals known and suspected in the Washington press corps."

The memo went on to say, "I thought we have some of that material." Mr. Haldeman mentioned [name or names deleted] and some of the others rumored generally to be and also whether we had any other stuff: that he, the president, has an interest in what, anything else, we know.

"I told Mr. Haldeman I would get after that right away, and we

ought to be able to send it over certainly not later than Friday," he said.

The document was found by a California researcher, Robert Ranftel, among the files now available to the public in the FBI's Freedom of Information and Privacy Act reading room in Washington. It is dated Nov. 25, 1970.

Mr. Ranftel said that he and another researcher in New York, Peter Krass, had requested information that might have been passed along by the FBI to the White House on Friday, Nov. 27, 1970.

The FBI told them that Mr. Hoover's copy of whatever material went to the White House had been destroyed, Mr. Ranftel said. They are now asking for the description of the documents that were destroyed and for documents from the files of other FBI officials that could be related to the memo.

Mr. Haldeman, contacted in California where he is now running several small businesses, said he does not remember making the telephone call to Mr. Hoover any response.

"It rings no bells at all," Mr. Haldeman said.

Charles D. Brennan, one of the assistant FBI directors to whom the

6 Iranians and an Iraqi Seek Asylum in Britain

Reuters

LONDON — Six Iranians and an Iraqi are seeking political asylum in Britain after stowing away on a ship that sailed from an Iranian port last month, a Home Office spokesman said.

He said the group arrived in Liverpool on Monday on the Greek bulk carrier, Nea Elpis, and were being questioned by immigration officials.



SANDEMAN FOUNDERS RESERVE PORT NO LONGER RESERVED TO THE ENGLISH.

Why a Top-Level U.S. Government Job Is Great — Even at One-Fifth the Pay

By Gerald M. Boyd
New York Times Service

WASHINGTON — A recent financial disclosure form submitted by Frank C. Carlucci, President Ronald Reagan's new secretary of defense, raises a question about some of Washington's top bureaucrats that, on the surface, seems baffling.

Why would a business executive drawing a salary of almost \$400,000 a year, as Mr. Carlucci was, go to work for the government at about one-fifth that amount?

Although the question can be answered in many ways, current and former government officials say the essential explanation is the same.

"The big difference is that you have an opportunity to bring your personal views to bear on the governmental process," said Frank J. Donatelli, Mr. Reagan's top assistant for political and intergovernmental affairs. "That's an attraction."

Mr. Donatelli worked in the White House for about a year as a deputy assistant for public liaison, then left in 1985 to join a Washington law firm. Two years later he

was back among the select group of senior White House aides performing a new task for the president.

Such a pattern is typical. When Patrick J. Buchanan gave up a high-profile job as a newspaper columnist and television commentator to become White House communications director at the beginning of Mr. Reagan's second term, White House insiders wondered what had induced him to give up an annual salary of \$400,000 to return to public service.

Mr. Buchanan had been out of government since working as a speech writer in the Nixon and Ford administrations. He has now returned again to private life, working as a columnist and television commentator and writing a book.

"The White House is the greatest place in the world to work if you have spent your life writing about issues, politics and policies," Mr. Buchanan said. "It has a special intoxication of its own."

"You read that people go there for the power, but they don't. It's being on the inside when the decisions are made."

John H. Trattner, a press spokesman

for the State Department in the Carter administration, says senior appointed officials frequently complain of the sudden end to their ability to influence public policy once they enter private life.

"It's difficult because many of them feel they were contributing something more than in the private sector," Mr. Trattner said.

In addition to all the lofty reasons for serving in a high-level government post, there are other, more mundane reasons, said Peter J. Wallison, the Treasury Department's general counsel in Mr. Reagan's first term and later counsel to the president. He is now a member of a Washington law firm.

"You are on the outside reading the newspaper and you say to yourself, if you would have been there and knew the facts, the decision you would have made would have been far better," Mr. Wallison said. "That is appealing to a large number of people," he said.

Another generally accepted explanation is the ability to use high-level government positions as springboards to top salaries in private life. Mr. Carlucci, for example, held several top government jobs before becoming the chairman of Sears World Trade Inc.

According to his financial disclosure statement, he received a salary of \$385,794 in that capacity in 1986, plus \$63,000 in directors' fees from other corporations and a termination settlement of \$735,722 from Sears. His annual salary as defense secretary is \$80,100.

However, some former officials, like Michael J. Horowitz, a counsel for the Office of Management and Budget earlier in the Reagan administration, draw a distinction between short- and long-term financial prospects for senior aides.

"In terms of long-term job offers, it's a sophisticated market," he said. "Anybody who goes into government with an eye toward collecting a lot of money afterward usually has those ambitions thwarted."

The Mainichi, Japan's third-largest newspaper, has a daily circulation of 6.3 million.

Henry H. Strater, 91, a portrait painter

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OPINION

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

The Troubling Dollar

Has the dollar fallen too far, or not far enough? Governments of the Group of Seven countries say they want to stop it from declining further; some say they believe it already is too cheap. But there are outside judges, including Robert Solow, the latest winner of the Nobel Memorial Prize in Economic Science, who think it needs to go lower.

People with dollars in their pocket may find it better to spend them in the United States, if they can, than abroad. The Organization for Economic Cooperation and Development reports that, at present rates, the general level of prices is much lower in America than elsewhere. But this won't necessarily reduce the U.S. trade deficit, because the OECD is measuring all prices, including Japan's sky-high rents, instead of the goods normally entering world trade. America can't offer cheap rents to people living in Tokyo, and to date, the competitive position of U.S. manufacturers has improved only slightly — which is why the OECD, in its latest forecasts, sees the U.S. trade deficit, now at \$150 billion, still topping \$100 billion in 1989.

This is frightening for those who want to see exchange rates stabilize after the gyrations of the past decade. Can the run on the dollar be arrested if markets see a further string of big trade imbalances?

The world has grown cynical of "Plaza" and "Louvre"-type accords, in which governments vow to quiet exchange markets by fundamental economic policy changes, then fail to deliver on the deal.

More stable exchange rates may not be achieved until, clearly, domestic demand is rising substantially faster outside the United States than within it. The OECD

forecasts suggest a slowdown in the United States, but at the same time foresees a simultaneous deceleration in Europe, with only Japan remaining in any way buoyant. The anemia is marked in Western Germany. Unless this changes, other European countries can hardly set a good example because they will run up debts to West Germany beyond their ability to pay.

The atonality, particularly in Europe, puts accords to stabilize exchange rates at risk. There is some danger that the new one, like the last, will only achieve temporary success, based on massive purchases of dollars by central banks, which cannot continue indefinitely. For lasting success, the private market must begin to believe the signals governments are sending. More narrowly, whether the dollar now sinks further or revives depends on whether the market has already discounted the fact that the U.S. trade gap is likely to shrink only slowly. The situation could be turned around if the United States started financing its deficit by selling bonds denominated in foreign currencies, not the dollar, because the present unwilling holders of dollars might then become willing. But, for symbolic reasons, Washington may frown on this.

A shrinking dollar now involves a depressing effect on the main countries whose currencies float upward. It raises inflation inside the United States, thereby endangering a credit squeeze. Above all, it erodes U.S. leadership in the free world: Britain lost its role because of its weakening currency, not because its colonies vanished. What will happen to U.S. defense spending abroad if, with a sinking dollar, it becomes ever more costly?

INTERNATIONAL HERALD TRIBUNE

Reagan's Leaving the World to Gorbachev

By Hugh De Santis

WASHINGTON — President Ronald Reagan was justified in declaring the recent superpower summit meeting a success: Three days of talks with Mikhail Gorbachev resulted in the signing of the first nuclear arms reduction agreement.

The same Mr. Reagan who had earlier excoriated the "evil empire" suddenly has been transformed into a proponent of détente.

The summit meeting also was significant for what it failed to accomplish: Virtually no progress was made on regional issues. Although Afghanistan, Nicaragua, and to a much lesser extent, Cambodia came up for discussion, they were a sideshow to the arms-control debate. To ensure

that regional and human rights issues did not impede progress toward renewed détente, Mr. Reagan, in an even more striking departure, de-linked them from the arms talks.

The Soviet relationship is, and long has been, the key item on the U.S. foreign policy agenda. But it should not obscure the importance of regional ties that can also have major consequences for U.S. interests.

Yet, U.S. policies in regions outside Europe have either been relegated to the sidelines or filtered through the prism of East-West relations, neighboring governments in Panama, the Honduras and Guatemala now sit

on their own political powder kegs, and while Mr. Reagan's policy is not likely to reduce Soviet influence in the region, he could facilitate its spread.

The real time bomb in Latin America is the massive indebtedness. Witness Mexico's recent devaluation of the peso. The Bank of Boston's recent decision to write off \$200 million of its loans in the region has met criticism from other U.S. banks, but their reaction is myopic. What makes American bankers believe that Third World nations can continue to produce and export goods mainly to service their debt without provoking social upheavals? Meanwhile, the Soviet foreign minister, Eduard Shevardnadze, has scored points in Mexico, Argentina and Brazil by lending a sympathetic ear, even though he had nothing tangible to offer.

The Soviet Union has little to offer the newly industrialized countries of the Pacific Rim, either. But it has been quick to exploit opportunities created by U.S. protectionism: opening, for example, Soviet markets to textiles and sugar from Thailand. Moreover the nations of Southeast Asia know that Moscow is Vietnam's mastermind and, along with China, the key to the peaceful resolution of the region's problems.

As part of Mr. Gorbachev's "new political thinking," the Soviets have resorted to the velvet glove in Asia, not the iron fist. While Moscow is increasing its economic and military assistance to North Korea, it is offering to reduce superpower arsenals in the Pacific and appealing to anti-nuclear sentiment throughout the region. Unlike the Soviet Union, the United States refused to sign a treaty to create a nuclear-free zone in the South Pacific; let it have adverse consequences for NATO.

In the Philippines, U.S. support for the corrupt government of Ferdinand Marcos contributed to emerging nationalism, which jeopardizes the U.S. presence at the Clark and Subic Bay military bases. And President Corazon Aquino has not been the deus ex machina the White House had hoped. Her inability to proceed with political and economic reforms has led to growing popular support for the communist insurgency, which Moscow is materially abetting. Throwing money at the Philippines, which Senator Alan Cranston of California and Representative Stephen Solarz of New York, both Democrats, Senator Richard Lugar of Indiana and Representative Jack Kemp of New York, both Republicans.

A Call for a New Marshall Plan

The United States has a major interest in assisting the Philippine government meet the serious challenges now confronting it. There is far more at stake than just continued access to military bases at Subic Bay and Clark Air Field, as important as those bases may be.

At stake in the Philippines is a far more important principle: that peaceful democratic change can succeed in the Third World. The People Power revolution of February 1986 was an inspiration to others yearning for democracy across the world. The failure of the revolution would be a crushing blow to untold millions who seek democracy in their own countries. The problems in the Philippines are well known. The economy, ravaged by the crony capitalism of the Marcos years, is staggering under a \$29 billion foreign debt. In 1986, the Philippines paid over \$1 billion more in debt service to foreign creditors than it received in new assistance. In a country where almost 70 percent of the people live below the poverty line and per capita income is less than \$2 a day, this net transfer of capital out of the country is a significant impediment to a sustained economic recovery. Unless the promise of democracy can be translated into tangible improvement in the lives of Filipino people, the future of democracy will be in jeopardy.

We believe, therefore, that the time has come for the United States and the rest of the international donor community to act. We urge you to take the lead in putting together a multinational, multiyear "Marshall Plan" for the Philippines.

— From a letter to President Reagan from Senator Alan Cranston of California, Representative Stephen Solarz of New York, both Democrats, Senator Richard Lugar of Indiana and Representative Jack Kemp of New York, both Republicans.

A Mirror-Image in Brazil

Both of the world's biggest debtors know that they have to reduce their national budget deficits. But, for very similar reasons of domestic politics, neither is making much progress. You have seen the great show of weight lifting by the White House and Congress in the United States, and the minimal results. Things are going even less well in Brazil.

Both Brazil and the United States are going to have to swing more resources into their export industries to carry their foreign debts. But the presidents of both countries resist higher taxes, and in both the people benefiting from government largess have fought spending cuts with great success.

Brazil's finance minister, Luiz Carlos Bresser Pereira, has just resigned in a dispute with President José Sarney. Mr. Bresser Pereira wanted to increase taxation, especially on the wealthy, and to close down a number of money-losing state enterprises. But the Brazilian congress is rewriting the constitution, and President Sarney's critics, who are increasingly numerous, want to hold his term to four years with elections next fall. Mr. Sarney is struggling to lengthen it to five years. There doesn't seem to be much more at stake than a point of personal pride, but he is pursuing it with single-minded passion and is unwilling to offend any constituency on

— THE WASHINGTON POST.

By Diane Orentlicher

NEW YORK — The Aug. 28 coup attempt against the government of Corazon Aquino — its leader, Colonel Gregorio Honasan — was captured only last week — shattered the U.S. government's complacency toward the Philippines. But Washington has yet to come to terms with the threat to democracy there.

Following the attempted coup, the question, "Can she make it?" dominated the policy debate in America. Yet to many Filipinos, the United States' preoccupation with the prospect of more such attempts seems somewhat beside the point. The real question is how President Aquino can regain the authority that she has lost.

Though riven by internal divisions, the military has largely redefined the terms of the nation's human rights debate: the commitment to protecting citizens from military abuses — once the hallmark of the Aquino administration — has all but vanished from its public agenda. When the military invokes "human rights," it refers almost invariably to violence of the Communist New People's Army, and the government's Human Rights Commission has shifted its focus to the New People's Army's actions. Meanwhile, the military has sought to persuade the public that its own human rights violations are only an unfortunate but inevitable byproduct of counterinsurgency operations.

The military, like some right-wing politicians, has also sought to neutralize independent human rights monitors by labeling as Communists those who report on military abuses and defend human rights. Attorneys affiliated with the Free Legal Assistance Group, a national organization of lawyers who defend human rights, have lately fallen victim to this campaign. One lawyer, Bernadette Encinares, has received numerous death threats from paramilitary groups in the province of Misamis Occidental that are armed and supported by the military. Despite her position as acting mayor of the town of Tuguegarao, Mrs. Encinares now lives under virtual siege, unable to leave her home. Perhaps the most dangerous of the

military's activities is the recruitment and arming of civilians who are deployed to play a key role in counterinsurgency operations. Known commonly as "vigilantes," many of these groups recruit members from criminal elements and fanatical religious cults. In the past year, vigilantes have tortured, maimed, decapitated, and hacked to death people who they say support or sympathize with the New People's Army. Their victims have included young children, infants and the elderly.

Though the extent of such abuses is unknown — most survivors and witnesses are too afraid of reprisals to file complaints — it is clear that vigilante executions are proliferating at an alarming rate and are vastly under-reported. Shielded from the government's law-enforcement arm by their military patrons, the vigilantes operate with impunity. When a vigilante group in Negros presented the severed head of a New People's Army suspect to local military authorities, they were not arrested but instead given a sack of rice.

The government seems unwilling or unable to put an end to these abuses. Mrs. Aquino has endorsed "unarmed" vigilantes, apparently believing that one predominantly unarmed vigilante force, Alsa Masa, purged a former Communist stronghold in southern Mindanao of rebels. She has failed, however, to acknowledge the problem posed by the thousands who are armed, perhaps because she does not believe she can afford to oppose a policy favored by a military she does not control.

The abuses inflicted by armed vigilantes require international concern, and should be forcefully condemned by the United States. Responsible criticism of a military that is out of control could only strengthen President Aquino's ability to insist that the military obey the rule of law.

Washington's extensive role in providing aid, equipment and training to the military makes it, in the view of many Filipinos, culpable for abusive military policies it does not condemn. (Indeed, many Filipinos accept as true the widely circulated reports that some vigilantes have received support from the Central Intelligence Agency.) The United States simply does not have the option of remaining neutral on this issue, and the stakes are far too high for it to consider doing so.

The writer, the deputy director of the Lawyers Committee for Human Rights, contributed this comment to The New York Times.

Dominica: A Success Is Being Reaped

By Jonathan Power

ROSEAU, Dominica — Once in a while the traveler sees a connection that makes his heart beat fast. What is declared impossible in one corner of the globe is being done in another. Two countries, both tropical, both with a colonial heritage, both now with women in the ruling chair, are struggling with the politically unsettling question of land ownership. One, Corazon Aquino in the Philippines, is clearly failing. The other, Eugenia Charles in Dominica, appears well on the way to success.

Up the emerald-hued mountain, among the humming birds, green herons, waterfalls and rainbows, giant ferns and orchids, small farmers have been scraping a living for 400 years in this Caribbean island. With its wild beauty — so wild that the tourists give the rocky black-beach island a miss — it hides its poverty in the prolific and ubiquitous foliage of its dominant crop, bananas.

When in 1978 it won its independence from Britain, it was an island with three societies: the estate owners, wealthy, inbred and verging on the indolent; the inhabitants of the sleepy capital of Roseau, relatively prosperous; and the rest, mainly workers on the estates, poor, but not impoverished, thanks to a good basic system of health services and the pure water and the invigorating climate of the mountains. Nevertheless it was an untenable system.

For the estate owners were mainly white or mulatto and the workers were black — and unhappy to continue working for a superior class, whom they could see made unproductive use of the vast acres they held.

Moreover, because the politicians of the new order were black, they felt obliged to resuscitate the feelings of their newly liberated electorate, not that of the privileged few. They were also astute and realized early that Dominica did not have many alternatives.

Other islands had the white beaches. Indeed in this mountainous country there was hardly room to build but the shortest airstrip, much less the standard runway suitable for tourist jets. And industrialization, although the academic and political folk wisdom for the 1950s and 1960s class of emerging new nations, was well out of favor by 1978, the year of Dominica's relatively belated emancipation.

Agriculture it had to be. So Dominica's politicians talked agriculture and the need for people to take the land seriously and not emulate the typical Third World rush to salivation in the town. Those who could

not or would not heed the message migrated not to Roseau but to London and New York. By and large those who stayed behind wanted to make its agriculture work. But when the government was slow to follow through on its rhetoric there was revolt. On the Geneva estate, a large farm in the south, the workers burned down the owner's house and the government was compelled to step in.

Even then the government, beset by its own problems, failed to follow through. Prime Minister Patrick John, although democratically elected, had begun to show symptoms of crazed omnipotence in the mold of the Duvaliers on nearby Haiti and Eric Gairy in neighboring Grenada, giving himself the title of Doctor of Metaphysics and attempting to lease a quarter of the island to a sleazy Texas businessman for a rent of only \$100 a year. Three weeks of nonviolent strikes and protest, uniting all the political parties, finally forced his resignation. Out of office he set out to reclaim by what he'd been unable to keep with votes. Fortunately, he could not gather much support and was quickly arrested. He is now serving a long prison sentence.

Eugenia Charles has been continually in power since these troubled times. It was she who rallied her Caribbean neighbors and persuaded President Reagan to invade Grenada after the leftist coup. And she has gone about sorting out Grenada's economic problems with an equal single-mindedness. Not least she has implemented the agricultural rhetoric.

Now the government has acquired nearly all the large estates. Surpris-

ingly, owners offered little resistance. Indeed many wanted to sell out voluntarily. Increasingly they were unable to attract labor. Banana prices have been climbing steadily and workers have preferred to stay home working their own small fields rather than work for the low-paying inefficient baronial estates.

With financial aid from the United Nations International Fund for Agricultural Development and the Organization of American States, Miss Charles divided up the estates, giving tenure to the workers. Now it is building farm to market roads, introducing up to date agricultural advice with new seeds, pesticides, insecticides and fertilizer.

The first estate, Geneva, has recently ended its first full year under the new order. There are 370 farms on 730 acres (295 hectares) of agricultural land.

It has transformed the lives of more than 1,000 people. With a quarter of an acre of ginger alone a farmer can make \$1,500 a year, compared with earning an estimated few hundred dollars before. Add to this bananas, passion fruit, grapefruit, guavas and food crops and one can see that a family's fortunes are transformed.

The age profile of the farmers tell it all. The average age of those participating in the project and taking out loans to pay for the new land is 34.

This compares with the average age of Dominican farmers of 51.

Shortly, the other estates will get the same treatment. The juggernaut of land reform appears unstoppable.

The agricultural department is efficient. Miss Charles deploys her remarkable energies with no equal single-mindedness. Not least she has implemented the agricultural rhetoric.

Now the government has acquired nearly all the large estates. Surpris-

ingly, owners offered little resistance.

The writer, senior associate at the Carnegie Endowment for International Peace, was on the State Department's policy planning staff under the Carter administration. He contributed this comment to The International Herald Tribune.

Spain Says No, and Has To Say More

By Jim Hoagland

MADRID — The discussion that Spain and the United States have conducted over the past 18 months on the future of the 401st Tactical Air Force Wing has routinely been described as a negotiation. But it is now clear that there has not been negotiating at all in any classical sense.

They have been talking past each other, with Spain speaking of history, the future, current politics and nationalism, while the United States has stressed its problems in managing a global alliance, coping with the Soviet menace and other geopolitical drama.

Prime Minister Felipe González has put an end to this by unilaterally setting a three-year withdrawal period for the U.S. air wing based at Torrejón.

This leaves both sides facing hard choices about the future of the alliance.

Washington's choice is to offer the newly industrialized countries of the Pacific Rim, either. But it has been quick to exploit opportunities created by U.S. protectionism, opening, for example, Soviet markets to textiles and sugar from Thailand.

Moreover the nations of Southeast Asia know that Moscow is Vietnam's mastermind and, along with China, the key to the peaceful resolution of the region's problems.

As part of Mr. Gorbachev's "new political thinking," the Soviets have resorted to the velvet glove in Asia, not the iron fist. While Moscow is increasing its economic and military assistance to North Korea, it is offering to reduce superpower arsenals in the Pacific and appealing to anti-nuclear sentiment throughout the region.

Unlike the Soviet Union, the United States refused to sign a treaty to create a nuclear-free zone in the South Pacific; let it have adverse consequences for NATO.

In the Philippines, U.S. support for the corrupt government of Ferdinand Marcos contributed to emerging nationalism, which jeopardizes the U.S. presence at the Clark and Subic Bay military bases. And President Corazon Aquino has not been the deus ex machina the White House had hoped.

Her inability to proceed with political and economic reforms has led to growing popular support for the communist insurgency, which Moscow is materially abetting. Throwing money at the Philippines, which Senator Alan Cranston of California and Representative Stephen Solarz of New York, as well as other lawmakers, have proposed in their \$5 billion aid package, is not likely to solve the problem even if the United States could afford it.

Washington has also been slow to respond to national and cultural trends in the Middle East. U.S. policy in that region is shaped mainly by the administration's pro-Israel stance and its preoccupation with the Soviet Union, without adequately taking into account the rising tide of Islamic fundamentalism. Mr. Reagan has launched an effective anti-terrorism campaign, but terrorism is a vile symptom of a pervasive cultural revolution.

The short-sighted Middle East policies pursued in Lebanon, Libya and now the Gulf since 1982 have not only failed to bring peace but have also created further instability in the region.

In the event of war, the F16s would be redeployed from Spain to northern Italy and Turkey, where they would pick up nuclear bombs that are stored in those countries. Neither the Spanish nor the Americans talk about what would happen then. But the F16s would undoubtedly stage nuclear strikes along the Soviet-Turkish frontier — a task the Spanish air force could never undertake. What Washington would have expected Spain to do in the way of substitution in the key segment of NATO's "flexible response" strategy remains a mystery.

Spain, for its part, would prefer to portray the "negotiation" aftermath as an exclusively U.S. problem, arguing that it is solely up to Washington whether this becomes as divisive a dispute for NATO as the French withdrawal was in 1966. Until now, Spain has shown little interest in what the United States does with the F16s.

OPINION

In Bloody Gaza, It's a Race Between Patience and Panic

By William Safire

NEW YORK.—Our knee-jerk reaction to pictures of soldiers man-handling demonstrators is to regard the soldiers as brutal and the rioters as heroic. That's not always true.

In Gaza and the territory west of the Jordan River, a score of Palestinian Arab demonstrators have been killed in recent weeks. The bloodshed began with the stabbing of an Israeli and escalated when a traffic accident killing four Arabs was misperceived as retaliation.

As in 1976 and 1981, the disorder has reached deep inside Israel. Arabs holding Israeli citizenship went on strike and demonstrated to show solidarity with their brethren who want to create a Palestinian state out of land within artillery range of Tel Aviv and Jerusalem. Paganously, during Christmas season, the violence has affected celebrations in places like Nazareth and Bethlehem.

What brought on the rioting? Gaza is overcrowded and poor, as it has been for years, under both Arab and Israeli rule. And the Palestine Liberation Organization, frustrated by its impotence in the Arab world, fomented uprisings and terror, but that is nothing new.

Added to the usual elements is this: Demonstrations often start and grow because the demonstrators see some chance of success. Palestinian Arabs, sensitive to any lack of resolve in Israel, are aware of the divisions in the coalition government over the calling of a conference that would surely end in major territorial concessions.

Moreover, rioters—including Iranian-sponsored terrorists to whom death is not a deterrent—have noted increased Israeli concern for world opinion. Israel is not the Soviet Union or Syria or South Africa, where coverage of ruthless crackdowns is blacked out. Demonstrators know that the heaving of a Molotov cocktail is rarely if ever caught by the camera, but the subsequent subduing of the bomb thrower makes the authorities look cruelly repressive on front pages and television. Reprisals to terrorist attack have been restrained, creating an illusion of weakness.

Add to this the urging of police restraint by the U.S. State Department, plus finger-wagging by UN nations that machine-gun demonstrators within their borders, plus the handwringing of well-meaning Jewish leaders safe in America who are all too ready to ignore Israeli

security needs—and we can see why many Palestinian demonstrators are not crazy to hope that violence will pay off.

To enumerate these unintentional incentives to violence is not to call for ruthlessness in the suppression of disorder. The purpose is to find the least worst course in a situation that offers no best course—to find a way least likely to result in the loss of Arab life or the loss of Israeli freedom.

Most Israelis think, with good reason, that a PLO state at its throat would be intolerable, and that territorial concessions in that direction now would only serve to whet the radical Arab appetite. It is not paranoid to think that the PLO and most totalitarian Arab regimes want to destroy the democratic Jewish state out of existence; it is dangerously irresponsible to assume that today's Palestinian Arab nationalists would be satisfied with a slice of arid land looking at Israeli greenery.

Most Israelis refuse to believe that they are limited to the Three Terrible Choices: 1) ruling over a colony of rightly resentful, disenfranchised Arabs on the West Bank and Gaza; 2) absorbing all those Arabs into an Israel that would ultimately lose its Jewish identity; or 3) driving them across the Jordan River into a Palestinian state on the East Bank.



Now, I know what this must look like to you, but I want you to at least approach it with an open mind...

Another choice will emerge. In time, realistic Arab rulers beyond Egypt will stop trying to distract their people from internal inequality by perpetuating their "holy war." In time, Arabs of lands adjacent to Israel's borders will be induced to follow pragmatic local Arab leaders who deliver real economic gains rather than submit to intimidation. Which is wiser: To

bet that time is on the side of terror or on the side of reason? Most of Israel's Jewish citizens want to let historical reality take root. That is why they are prepared to deal sternly with disorder within their borders and are likely to begin deposing West Bank troublemakers to the East Bank. That is why they sit tight, behind defensible borders, and await the genera-

tion of Arabs who will accept autonomy without sovereignty over disputed lands.

The hard-working, intelligent Palestinian Arabs, long despised and used as pawns by a hostile Arab world, are not destined to be ruled over or absorbed or dispossessed by Israel. They can be lived next to, when they are ready to deal.

The New York Times.

Even Mice Can Bite Back

Regarding "Reluctance to Boost Domestic Sours Trade Ties with U.S." (Special News Report on Japan, Dec. 9):

Stuart Auerbach's article raises questions, like: Why does the United States stand by and leave the dollar to the financial market mechanism to stomp further, while the central banks of Europe and Japan are frantically trying to support it?

With the unprecedented huge U.S. fiscal and trade-balance deficits, even though boosting the Japanese and German domestic demand may help a bit, could it basically solve U.S. deficits? Does the United States not perceive a deeper cause: political and economic, at the bottom of this financial mess?

And, when there are numerous successful foreign companies in Japan, why do the majority of American businessmen try to push through legislation to protect themselves? Protectionism will only strangle them in the long run. Why don't they start up a "Buy American" campaign instead? And boost demand for American goods?

Why does the United States not retaliate against the exports from South Korea, Hong Kong, Taiwan and Singapore? (Look up the percentage they hold in import statistics.) What are the reasons to boycott Iranian oil when Japan needs to

good quality? Has West Germany collaborated with the United States' request?

Suppose the United States were dependent on imports of food more than 70 percent, or 90 percent in oil and for all the industrial materials? From where could she secure the hard currency to purchase them if the exports were drastically curtailed? You cannot argue about an orange with an apple in mind. The economies of the United States and Japan are intrinsically different.

How would Americans feel if a Japanese or a German were to come into their homes and arrogantly tell them to buy this and that? It is good to remember that there's a limit to patience, and when anybody is pushed around too much, even a cornered small mouse will bite back at the cat.

H. FUKAZAWA,
Reichenfels, Austria.

The Case for Legal Drugs

During my last 10 years of heavy drinking (I stopped on March 13, 1985), I progressively abandoned the use of cannabis, the two substances being violently antithetic. In the gray hell of post-alcoholic depression, I rediscovered it when it showed me the colors of a bowl of flowers and the molten gold of the sun

pouring through the lattice of a lace curtain. I have smoked it rarely since, because I am not prepared to buy adulterated rubbish from street dealers, and I am too old to enjoy the *frisson* of illegality which looking for it involves, the *frisson* which, in fact, attracts so many young people to it.

Marijuana serves as a "gateway to other substances" only because any young person is automatically criminalized by buying or smoking it and, once a criminal—As well be hung for a sheep. Otherwise, there is no more logical connection between marijuana and heroin than there is between mayonnaise and anabolic steroids. Then there is the big A. I still dream of malt whiskey; my throat can ache at the memory of Ruddles Country Ale.

Mrs. Reagan says, "Each of us has a responsibility." I would ask, "Madame, do you drink?" Let's face it. No drugs is good drugs—but that has never been the case. In the recorded history of man every society has had its sweetener. When alcohol was banned, you get Al Capone as pusher. And you can't, in the end, ban cannabis (or, for that matter, heroin or cocaine) for the same reasons: they will be sold anyway by those prepared to take risks to make a profit; what is sold will be adulterated (for profit) and will often be more dangerous than the pure sub-

stances; and the police forces which are called upon to enforce unenforceable laws will be corrupted by the huge profits which the illegality of the substances guarantees. It goes round in circles.

PAUL MCNEILL,
Copenhagen.

The Flip Side of Reforms

The flip side of Mikhail Gorbachev's reforms is that they have made the West treat as remarkable and miraculous elsewhere what is at home is common and uneventful: the right to search for and debate the truth. Perhaps the first item on the "itinerary" for those upset with George F. Will (*Letters Nov. 27*) should be their own letters—and to marvel at the system that lets them speak and disagree exactly as they did with Mr. Will's opinion column "For Gorbachev's U.S. Visit, Try This Didactic Itinerary" (*Nov. 17*).

RONALD ISSNEN,
Paris.

And the Other 'Elenies'?

The opinion column by A. M. Rosenthal, "Reagan Left Something Out of Eleu's Story" (*Dec. 16*), was correct in every respect, but if President Reagan left something out, I think Mr. Rosenthal left out much more.

The continuous polemic over the year

The Story Behind the Tale Of 'The Gift of the Magi'

By Edith Evans Asbury

NEW YORK — During the first decade of the 20th century there burst upon the literary scene in New York a prolific short-story writer named O. Henry. He dazzled magazine and newspaper readers with a flow of stories that swelled to a total of 66 in 1904.

In 1905 O. Henry's output slowed, but

MEANWHILE

he still produced an amazing 49 stories before the year ended. Editors at the New York Sunday World newspaper wanted one more, for their Christmas edition.

O. Henry promised them a Christmas story, but he was worn out, mentally and physically, and was distracted by personal problems, including debt.

He found that he was unable to write. At least tell us what the story is going to be about, his editors pleaded. We have to let the artist know how to illustrate it.

Tell him to draw a poorly furnished room with a beautiful woman in it and a man coming in the door. O. Henry told the editors, and they did.

The day before the story was due, the desperate editors sent a young reporter to prod the author, who was found sitting in a booth in a cozy saloon on Irving Place across the street from his

dwelling. O. Henry was smoking a cigar. He had not written the story yet.

The young reporter, Wash Williams from Terre Haute, Indiana, sat in the booth across from O. Henry and watched him brood. About 9 P.M. the heavyset, meticulously groomed, 43-year-old writer arose, motioned the young man to follow and crossed the street to his rooms. He wrote in longhand on yellow sheets of paper. At 10:30 he sent for a messenger to take the beginning of the story to the World office in downtown Manhattan, near the Brooklyn Bridge.

As young Williams lay on a couch reading a magazine, O. Henry, pausing now and then to think, produced more pages. By 9 the next morning the story was on the streets of New York in the Sunday World's Christmas edition, ready to capture the hearts of readers and to be loved for generations to come. It was called "The Gift of the Magi."

"One dollar and eighty-seven cents."

That was all." The story began, "and 60 cents of it was in pennies. Pennies saved one and two at a time by bulldozing the grocer and the vegetable man and the butcher until one's cheeks burned with the silent imputation of parsimony that such a close dealing implied."

The money was all young Della had been able to save to buy a present worthy of her beloved husband, Jim, for Christmas the next day. She dashed to a hair-goods shop where a Madame Sofrone cut off her beautiful long brown hair and gave her \$20 for it. With that and \$1 of savings, Della bought a platinum fob chain to attach to her husband's most prized possession, his watch. But he, it turned out, had sold the watch for money to buy a set of jeweled tortoiseshell side and back combs for Della's long, brown crowning glory.

Every year since 1905 "The Gift of the Magi" has been reprinted somewhere on Christmas Day. It is included in hundreds of anthologies. In 1945 it was the subject of a motion picture. A musical based on it is being re-enacted for the fourth successive year in the off-Broadway Lambs Little Theater.

The saloon in which O. Henry finally dreamed up "The Gift of the Magi" is still there, now called Pete's Tavern. It has pictures of O. Henry all over the walls and does a thriving restaurant business. It's near Gramercy Park and not too far a walk from where I sit writing this in my home in Greenwich Village. I went there again for lunch recently, to muse about the story behind the story that almost didn't get written, and the O. Henry-esque, surprise way it ended.

The author, who was a reporter for *The New York Times* for 29 years, is writing a book about O. Henry. She contributed this comment to *Maturity News Service*.

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Gr. Britain £	130	40	72	34	40	27
Greece Dr.	22,000	45	12,000	40	6,600	34
Ireland £	150	45	82	40	45	34
Italy Lire	380,000	42	210,000	36	115,000	30
Luxembourg L.Fr.	11,300	37	6,300	31	3,400	25
Netherlands Fl.	650	40	360	34	198	27
Norway (post) N.Kr.	1,800	38	990	32	540	26
— (hd. del.) N.Kr.	2,300	21	1,270	13	700	4
Portugal Esc.	22,000	32	12,000	47	6,600	42
Spain (post) Pta.	29,000	41	16,000	35	8,800	28
— Madrid (hd. del.) Pta.	42,000	15	21,000	15	10,500	15
Sweden (post) S.Kr.	1,800	38	990	32	540	26
— (hd. del.) S.Kr.	2,300	21	1,270	13	700	4
Switzerland S.Fr.	510	44	280	38	154	32
Rest of Europe, N. Africa, former Fr. Africa, Middle East \$	430	Varies by country	230	Varies by country	125	Varies by country
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In Haiti, the Bad Old Days Are Returning

By Julia Preston
Washington Post Service

CITÉ SOLEIL, Haiti — Many Haitians who live on the fetid marsh that rims Port-au-Prince do not put much stock in voting, but they decided to give it a chance last Nov. 29 when Haiti was expecting its first free, honest election in more than three decades.

But when the independent electoral board stopped the balloting that Sunday amid a wave of terrorist killing in the center city, many Cité Soleil slum dwellers shrugged, went home and gave up on the idea of democratic elections. Community leaders now say.

The leaders predict that many despairing voters from Port-au-Prince's biggest, ugliest slum will stay home on the next election day, scheduled Jan. 17.

The Cité Soleil residents most likely to turn out in the second round, residents say, are those habituated during three decades of Duvalier dictatorship to rubber-stamp referendums, when poor people made a few pennies by selling their votes and went to the polls to stay on the right side of the man in power.

"People here won't vote for hope again. If they find a leader who will give them a little money, they'll vote for money," said Wilner Membrun, president of the main Roman Catholic community organization in a Cité Soleil district named Brooklyn.

Long lines had curled around its polling stations at dawn on Nov. 29. Only five miles away in the center of Port-au-Prince, gunners left over from the 29-year dictatorship were shooting voters, stabbing journalists and burning polling places. But Cité Soleil remained quiet throughout.

"The people still don't understand what happened," said Linaud Derazin, 21, who was in

charge of one polling station here. Although close to town, the area remained virtually cut off for nearly two weeks because terrorists crippled the Catholic and Protestant church radios — from which the slum normally hears about the world beyond it.

The ruling National Government Council, headed by the armed forces commander in chief, General Henri Namphy, is putting together an election for Jan. 17 after allowing the first one to collapse and dissolving the broadly popular electoral board that organized it.

The army's preparations, including the swearing-in Dec. 12 of what now essentially is a hand-picked board, closely match those they made for the 1957 vote in which François "Papa Doc" Duvalier rose to power, according to those interviewed.

Back then, the military had full charge of the electoral process. Now, Cité Soleil residents say, it seems that Haiti is reverting to those times. Four leading presidential candidates from the Nov. 29 vote are boycotting this election.

As many as 200,000 of Port-au-Prince's 1.2 million residents live in Cité Soleil.

In 1967, Mr. Duvalier moved to rid the waterfront of what he viewed as unsightly clutter. The shanties were burned and the squatters fled to the salt swamps that are now Cité Soleil, City of the Sun.

Over the weekend, dozens of laborers were still shoveling gravel, trying to harden the acres of black slime where their shacks gradually sank, year after year. Roman Catholic missionaries pay the shovellers, mostly with food, for what is one of the best jobs going in the neighborhood.

The Reverend Luc Lanoo, a Belgian priest who has worked here for years, sees the future this way: "Right now everyone's looking to eat. But the day Cité Soleil takes to the streets ... look out."

The slum's center is a foul mudflat which is both crossroads and collective toilet. Few resi-

INF Pact Expected to Easily Pass Senate

By Helen Dewar
Washington Post Service

WASHINGTON — The Senate will approve the U.S.-Soviet nuclear arms treaty next year unless "unexpected flaws" are discovered, the Senate Democratic whip, Alan Cranston, of California, has predicted on the basis of preliminary counts indicating that no more

than 10 senators now appear likely to oppose the pact.

Mr. Cranston, a leading pro-treaty strategist, said there also appear to be enough votes to fend off crippling amendments, but he cautioned that "ingenious minds at work" drafting potentially troublesome proposals.

Mr. Cranston's assessment on Tuesday was the latest in increasingly optimistic forecasts for the two-thirds vote necessary for Senate approval of the treaty signed here Dec. 8 by President Ronald Reagan and Mikhail S. Gorbachev, the Soviet leader, to eliminate medium and shorter-range nuclear weapons.

At their summit meeting, the two leaders announced plans for Mr. Reagan to visit Moscow in June.

Last week, the Senate minority leader, Bob Dole, Republican of Kansas, endorsed the INF treaty and predicted its approval. His statement was seen as bolstering support for the pact among GOP conservatives who have voiced strong objections.

Senior Republican leaders in the Senate now unanimously support

the treaty, and foes of the pact concede that approval now seems a foregone conclusion.

But Mr. Cranston's observations at an end-of-the-session news conference also reflected lingering concern over the possibility of "killer amendments" that could be adopted by majority vote, requiring renegotiation of the accord along lines that the Soviets would find objectionable.

Mr. Cranston said these could come in the areas of verification, conventional-force levels, enforcement of past treaties and restrictions on negotiations of future agreements dealing with reduction of strategic nuclear weapons. A 1979 Strategic Arms Limitation Treaty remains unratified, having never come to a vote in the Senate.

He said his no chance for fatal tampering with the treaty on issues that are not directly related to it, such as demands for Soviet withdrawal from Afghanistan as a condition for implementation of the pact.

To head off attempts to kill the treaty by indirect means, Mr. Cranston said opponents are working on

ways to satisfy senators' concerns without jeopardizing the treaty itself.

Mr. Dole, in an article in Wednesday's editions of the Des Moines Register in Iowa, where he is campaigning for the Republican presidential nomination, also expressed concern about "killer amendments" and pledged to help lead the fight to defeat them.

Mr. Dole said there may be one or more "Dole initiatives" which he said would be backed by the president, to address senators' concerns over verification, compliance and the imbalance of conventional military forces in Europe without jeopardizing the treaty.

Elaborating on remarks at his news conference, Mr. Cranston said that he counts less than 10 outright opponents to the treaty, although the number could change depending on amendments and reservations as the treaty makes its way through the Senate.

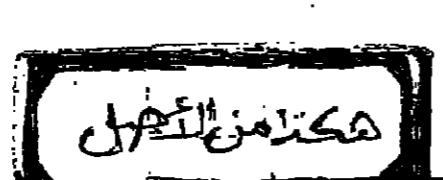
"I think there are now enough votes to assure approval," he said, adding that "there are very few people willing to take it [the treaty] on directly."

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Four Haitian presidential candidates at a press conference on Tuesday in Port-au-Prince calling for aid in helping

Haitians rid themselves of ruling junta. From left: Gerard Gourgue, Marc Bazin, Louis Dejoie and Sylvio Claude. Max Belmont/The Associated Press

OFFENSIVE: Soviet Drive Baffles the Pentagon

(Continued from Page 1)

ing slow but steady progress and should reach Khost, about 15 miles from the Pakistan border, in the near future.

But one Pentagon official said the Soviets would be "crazy to stay there" and would need "10,000 men to hold the road open behind us."

The fighting has resulted in another wave of Afghan war refugees streaming into neighboring Pakistan, with Pakistani diplomatic sources here reporting between 10,000 and 15,000 new arrivals in the past few weeks.

■ Soviet Candor on Fighting

Gary Lee of The Washington Post reported from Moscow:

For the first time since Soviet

troops and tanks rolled into Afghanistan eight years ago, Moscow is raising the veil on the most brutal aspects of the fighting between the Communist regime and the rebel forces there, providing candid accounts of Soviet opposition to the war and of the marks it has left on Soviet soldiers.

In the first official report ever publicly made in Moscow of the fighting in Afghanistan, the Foreign Ministry spokesman, Gennadi I. Gerasimov, gave journalists a blow-by-blow description on

Wednesday of the battle for the Khost.

Mr. Gerasimov said at a press conference that in the past two days the Soviet-backed forces have wiped out 1,500 rebel troops and advanced to within 24 miles of

Afghanistan since the Soviet intervention in December, 1979, he declined to answer, saying that Moscow does not give out such information and that he would not make an exception.

In Iran, Real Estate Agents And Car Dealers Face Death

The Associated Press

NICOSIA — An Iranian official said Wednesday that real estate agencies and car dealerships are "false professions" that should be closed and warned that agents and dealers could face execution.

Teheran radio, monitored here, quoted the supervisor of the tribunal in charge of guilds as saying that as long as real estate agents and car dealers continued to act as middlemen there would be no lowering in the prices of cars, land or housing.

The supervisor, identified only as Ramazani, also said: "Estate agencies and car dealerships cannot be regarded as a profession and should be described as false professions. The tribunal in charge of guilds calls on the Central Guilds Council to close down these false professions."

"If estate agents and car dealers did not review their practices, legal power would be utilized and they would be declared corrupt on earth," he was quoted as saying.

Being "corrupt on earth" is the most severe charge in Iran. It often carries the death sentence.

Mugabe, Nkomo Sign Accord on Zimbabwe Unity

New York Times Service

HARARE, Zimbabwe — The main Zimbabwe opposition group has agreed to join Prime Minister Robert Mugabe's governing party in a move that is expected to reduce ethnic divisions and rebel violence in the country.

Mr. Mugabe and his longtime rival, Joshua Nkomo, set aside their bitter personal antagonisms to sign a "unity agreement" on Tuesday.

The prime minister recalled how the two had joined in the struggle against white rule in what was then Rhodesia. He glossed over their rivalry, which dates from the 1960s. This occasion fills me with emotion," Mr. Mugabe said. "We can now move into the future hand in hand, knowing that we leave behind us a united country."

Mr. Mugabe had much to celebrate, since the unity agreement assured there will be virtually no obstacles to achieving his goal of establishing a one-party state after he becomes Zimbabwe's first executive president on Dec. 31.

He will be the merged party's first secretary and president. There will be two secretaries and two vice presidents. Those deputy posts will allow for leaders of Mr. Nkomo's party, the Zimbabwe African People's Union, and most likely for Mr. Nkomo himself, to have a secondary leadership position.

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Evidence indicates that major

INTERPOL: On the Road to Lyon

(Continued from Page 1)

Interpol on loan from the U.S. Drug Enforcement Administration.

The 25 men and women working for Mr. Higdon speak 22 languages between them and, he said, "have profound regional knowledge." The department keeps such a detailed track of world narcotics trends that the World Health Organization depends on it for abuse data.

But it also gets involved in the minutiae of police work. For example, Interpol analysts found the same telephone number in Bolivia as drug runners arrested in Lisbon and Frankfurt. The discovery led to the arrest of an important narcotics trafficker in Belgium. Mr. Higdon says that though he never lays a hand on a criminal's collar himself, "I still feel like a cop, even if I never carry a gun any more."

While most governments view narcotics trafficking as a serious crime, Robert Littas complains that his specialty is less well understood, even though it accounts for possibly millions of dollars in illegal gains every year. Mr. Littas, a Swedish policeman, is head of the secretariat's economic and financial subdivision, responsible for keeping track on fraud, maritime piracy, trademark counterfeiting and false money.

"Counterfeiting is one of the more international crimes, but the fact is that some countries don't take it seriously," he said. Evidence indicates that major

communities, but the trip was canceled by the contras because it was considered too dangerous.

The Sandinists initially said only about 1,000 rebels took part in the attacks. Sandinist officers in Managua have since raised their estimate of the total to 3,000.

Mr. Bermudez said the attacks on the three mining communities were carried out by 4,400 men. Another 2,600 were used in diversionary attacks along a road to the south, bringing the total for the operation to about 7,000. The number initially used by contra spokesmen in announcing the attack.

He said that the contras also wanted to disrupt the gold and silver mining operations that earn foreign exchange for the Sandinist government.

[In Washington, State Department officials said the attack signified the evolution of the contras from a ragtag fighting force to one capable of carrying out more sophisticated assaults and of massing more than 4,000 troops, with support from local populations, for surprise attacks.]

The reporters had been told they would visit one of the captured

communities, but the trip was canceled by the contras because it was considered too dangerous.

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SPAIN: Ultimatum to U.S.

(Continued from Page 1)

gate to the United Nations, Vernon A. Walters, was quoted as having said that "if there is no agreement on bases in Spain and we are told to leave, we will leave. If we are not wanted, we will go."

"But we Americans will not forget," he added, "an unfriendly gesture toward us."

The chief American negotiator, Reginald Bartholomew, the U.S. ambassador to Spain, declined through a spokesman to comment on the details contained in this article. The Spanish Foreign Ministry spokesman also would not comment.

U.S. officials have estimated the probable cost of relocating the aircraft elsewhere in Europe at more than \$500 million, and have predicted that it would be difficult to find a new home for them on NATO's southern rim. The F-16s would deploy into Italy and Turkey in the event of war and stage nuclear strikes with weapons stored in those countries, according to sources.

Belgium, Portugal and Morocco are reported by diplomatic sources to have expressed interest in holding discussions on taking some or all of the F-16s, but Washington has refused to consider finding a new base for the aircraft while negotiations with Spain continued.

The sudden decision by Mr. Gonzalez appeared to catch U.S. negotiators off guard. They were still advancing compromise proposals that would have kept some of the F-16s in Spain if accepted, and had prepared for a round of negotiations set for Dec. 18.

But the December round was hastily postponed until an unspecified date in January after Foreign Minister Francisco Fernandez Ordóñez personally told Mr. Bartholomew or Dec. 10 of the decision made on the F-16s by Mr. Gonzalez and his cabinet. The United States would have three years after the agreement expires in May 1988 to withdraw the aircraft, Mr. Ordóñez said.

The Spanish decision reportedly repudiated the Spanish decision was unacceptable.

The stationing of U.S. troops in Spain is seen by many Spaniards as a symbol of the help the United States provided Franco in breaking out of the diplomatic isolation that he faced at the time.

11 Dissident Iranians Are Jailed in Norway

Reuters

OSLO — Eleven leftist Iranians who stormed their country's embassy in Oslo on Sept. 10 and sparked a violent siege have each been sentenced to six months in prison.

Justice Ministry officials said the 10 men and one woman, who sailed during the two-week trial in Oslo, that their action was politically motivated, will probably be expelled from Norway on completion of their sentence.

LONDON: Squall, Altruism

(Continued from Page 1)

ing all four weeks' Christmas profits from its show, "Acting Shakespeare," to a hospice to help AIDS victims die in peace.

"It's a time of good will and giving," he said. But the risks of high hopes in charity were exemplified by Bob Geldof, the rock impresario, who returned from another visit to Africa to report that the rock charity songfest on world television a few years back did not stem the famine problem after all.

SCIENCE

IN BRIEF

Photonics: A Step Beyond Electronics

BERKELEY HEIGHTS, New Jersey (UPI) — Photonics, a field whose promoters say it could someday rival or even supersede electronics, took an important step forward when engineers at AT&T Bell Laboratories demonstrated a new optical amplifier.

The optical amplifier is so effective it allows the span between repeaters, which boost a dimming signal in a fiber optic cable, to be increased to a record-breaking 230 miles (370 kilometers). The amplifiers are also the first that work without having to convert the optical signal into electronic form and back into photons.

"This experiment shows that optical amplifiers may be practical in the future," said David Lang, director of the Bell Labs research facility. Engineers describe the amplifier as a "converted laser" that, when stimulated by an incoming light signal, emits its own light a thousand times brighter.

Interferon May Assist in Pregnancy

COLUMBIA, Missouri (NYT) — A protein that had not been previously linked to pregnancies may play a crucial role in getting a pregnancy started, researchers report. The protein, an interferon, was already known to help the immune system kill viruses and certain kinds of cancer cells. But new studies show, for the first time, that interferon can work as a hormone to prevent a pregnant animal from spontaneously aborting an embryo.

The findings were made in sheep, cows and pigs, and it is not yet clear whether the interferon acts the same way in human pregnancies. But Dr. Michael Roberts of the University of Missouri said no one had ever looked for it in human pregnancy and he plans to search for the same effects in primates.

Dr. Roberts initiated the work by studying pregnancy in sheep, asking what it is that alerts a ewe, biochemically, that it is pregnant, even before the embryo becomes implanted in its uterus. When the researchers gave the interferon to female sheep that were not pregnant, the animals developed "pseudo-pregnancies" and secreted hormones that normally are made when they are pregnant.

Scientists Find Slabs of Earth's Crust

PASADENA, California (NYT) — Geophysicists at the California Institute of Technology believe they have solved a long-standing scientific mystery: What happens to material from Earth's moving crustal plates after it sinks out of sight at the so-called subduction zones? The zones are cracks at the margins of the crustal plates, notably the "ring of fire" around the Pacific basin.

Using a new technique of seismic exploration, the geophysicist said they discovered 400 miles (644 kilometers) under the Asian continent huge slabs that were once part of the Earth's crust. The slabs appeared to be remnants of the Pacific crustal plate that slipped under the Asian continent.

The geophysicists said the results support the theory that the crustal material only sinks part way into the intermediate mantle, to be reheated and later to rise at the mid-ocean ridges where new crust is formed.

Questions Concerning Ear Treatment

SAN ANTONIO, Texas (UPI) — A study has cast doubt on the treatment doctors most often use to treat one of the most common medical problems among children — chronic fluid in the ear following earaches. It was found that removing the adenoids was actually more effective than the most commonly used method — inserting tiny tubes through the eardrum to drain out the fluid.

The fluid can impair hearing and can lead to permanent hearing loss in a small percentage of cases. It is the leading cause of hearing loss and the most frequent reason children undergo surgery in the United States. Removal of the adenoids was the accepted practice, but doctors have abandoned the procedure in the belief that draining fluid was more effective.

The children who had their adenoids removed and the tubes inserted into their ears had the fewest additional related problems. But their conditions were not significantly better than the children who only had their adenoids removed, said Dr. George A. Gates of the University of Texas Health Science Center.

Discovery of the Gene That Determines Sex

By Harold M. Schmeck Jr.
New York Times Service

A international team of scientists has discovered what appears to be a gene that determines whether a human embryo will grow into a male or a female.

Whenever that gene is present in the chromosomes of the fertilized egg, the scientists believe, the fetus will develop testes and grow to be a male. When it is absent the fetus will develop ovaries and become a female. The newly discovered gene is believed to act as a biological switch, turning other genes on or off.

Scientists described the discovery as a major step in understanding the process in which a single fertilized egg develops into a human being.

The mechanism by which the sex of an individual is determined has been a subject of scientific speculation since the time of Aristotle," said the report published Tuesday in the journal *Cell*.

As an individual develops, a complex series of hormonal and other influences occur leading to the production of all the sexual characteristics, male or female. But the trigger for all the changes that take place in the male appears to be the action of a single gene located on the Y chromosome.

The research team found essentially the

same gene in other mammalian species including apes, monkeys, dogs, cattle, rabbits and goats and something closely similar in mice.

The newly identified gene is named *TDF* for testes determining factor.

"What we have found is a major step toward understanding the age-old question of sex determination," said Dr. David C. Page, the principal author of the report. He is a research fellow at the Whitehead Institute for Biomedical Research of the Massachusetts Institute of Technology in Cambridge. His colleagues in the research are at the University of British Columbia and the University of Helsinki.

"We suspect that what we have discovered is the sex-determining gene not only in humans, but in all other mammals as well," said Dr. Page. "The main impact over the next few years will be in opening up a whole new area for basic research."

Dr. Bruce McEwen of Rockefeller University, an expert on sexual differentiation, said the study appeared to be very comprehensive and was of "fundamental importance."

The discovery of the gene might, among other things lead to identification of other genes that are turned on and off by this master switch, thus increasing knowledge of the process of sexual differentiation.

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same gene in other mammalian species including apes, monkeys, dogs, cattle, rabbits and goats and something closely similar in mice.

The deciding difference in genetic endowment between male and female has long been known to lie on the Y chromosome, the male sex chromosome. The normal genetic complement for the male is 22 pairs of non-sex chromosomes and a 23rd pair that consists of one X and one Y. For males the 23rd pair consists of two X chromosomes.

For many years it was unclear whether the key sex determinant was a single gene or several genes situated at various scattered points on the Y chromosome.

The new studies indicate that the testes determining factor is situated on one small specific part of the Y chromosome and that it is very probably just one gene. A large portion of the gene has been cloned, or isolated and grown in the laboratory, enabling detailed studies of its properties.

The gene is the blueprint for making a particular protein. While this gene product has not yet been completely identified, enough of its chemistry has been revealed to indicate that it is one of a class of proteins that bind to one or the other of the main chemicals of heredity, DNA (deoxyribonucleic acid) or RNA (ribonucleic acid). This evidence suggests strongly that the testes determining gene is important in deciding when, and whether or not, other genes related to sexual development are switched on.

DNA is the active substance of the genes. Several kinds of RNA translate the genetic instructions of the gene into the process of manufacturing products by the living cell.

At the start, a human embryo has all the other genetic instructions it needs to become a male or a female, but it becomes a male only if the testes determining factor starts the process of development along the male pathway.

Normally a male will develop when the embryo has received an X chromosome from its mother and a Y chromosome from the father.

But the research that led to the new report demonstrated that "maleness" can be conferred by a minute piece of the Y chromosome, even when that piece is inherited with two complete X chromosomes. These males are sterile but otherwise usually physically normal.

Conversely, an individual who inherits an X and a Y sometimes develops as a female when a crucial part of the Y chromosome is missing. Such females often do not mature sexually. Study of such cases helped the scientists discover the gene for the testes determining factor.

Geneticists refer to people whose sex was determined by such unusual combinations as "sex-reversed."

The scientists reporting in *Cell* said they had discovered one person who had two X chromosomes, but was male because he also had one half of 1 percent of the Y chromosome. They have also studied a person who is female in spite of having 99.8 percent of the Y chromosome. Cases such as these were useful in narrowing the location of the testes determining gene.

Page said all the males his group had examined had the minute portion of the Y chromosome where they believe the gene is situated, while none of the females had it. The key region of the Y chromosome believed to contain the gene has about 140,000 base pairs, the DNA subunits. The Y chromosome has an estimated 70 million such subunits.

Ethics aside, the discovery could not be used to alter the sex of a fetus because transplanting the gene would face enormous technical difficulties and the outcome would be highly uncertain.

Fossil Study Fires Evolution Debate

By James Gleick
New York Times Service

WHEN Peter Sheldon chipped

which appears to answer the question," said John Maynard Smith, an influential British biologist who has long opposed the notion of punctuated equilibrium.

Dr. Maynard Smith has written a strongly worded commentary to accompany the trilobite study in the journal *Nature*, rekindling a debate that has been transforming standard evolutionary theory with a radical idea. Well-established species, they argued, tend to change little if not at all; most real evolution takes place in rapid bursts at the rare moments when new species are born.

Five thousand trilobites later, Dr. Sheldon, now a research fellow at Trinity College, Dublin, is putting forward a sharp challenge to this conception. He contends that his research, an unusual, exhaustive study of a fossil family drawn from one place in the earth's crust, shows life evolving as Darwin imagined it steadily and gradually.

"He should know better," said Niles Eldredge of the American Museum of Natural History. "This is just bad scholarship on his part."

"I really resent what he has said," said Steven M. Stanley, a Johns Hopkins University paleontologist. "It makes me seem like some kind of kook."

Dr. Eldredge and Stephen Jay Gould of Harvard University, the original authors of the punctuated equilibrium model, plan to write a rebuttal.

At stake are fundamental questions of evolution: When and why does a creature change from one form to another? Is most evolution the slow accumulation of the small changes a geneticist sees in laboratory fruit flies, or does it occur in

episodes, when a small population, perhaps isolated geographically, suddenly changes enough to give rise to a new species? Suddenly, in paleontological terms, can mean hundreds of thousands of years.

As Dr. Sheldon collected his trilobites, he had no intention of intruding on this debate, he said. He began by trying to fit his specimen into the proper taxonomic slots, dividing them up according to their Latin names. To his surprise, the task proved impossible. The lines dividing older species from their evolutionary successors quickly came to seem arbitrary, because he found so many intermediate forms the "missing links" so often seen.

Dr. Sheldon, dating his specimens according to the layers of rock from which he retrieved them, has assembled a history of eight different lineages. Overall, he finds a clear trend. The youngest members of each line had several more millions than their ancestors had three million years before. But he also finds an occasionally unsteady, directionless kind of change, with surprising reversals.

"I haven't any particular macroevolutionary ax to grind," he said, "but I suspect that many gradualistic patterns have been obscured by the descriptive process. The way they are named as discrete species gives the impression of abrupt appearance."

Trilobites, as it happens, are a specialty of Dr. Eldredge's, and he reads a very different message in the Welsh results. "This is much ado about nothing," he said. "Actually, I'm cheered by this."

To him, the addition of a few ribs over a span of three million years amounts to little change, little enough to be considered static, which does not necessarily require "lock-rigid invariance." He noted that the differences between trilobites of the different lineages were far greater between the early and late members of each line. Such tiny changes in one geographic locale cannot account for the great trends in the broad tapestry of trilobite evolution, he said.

Dr. Eldredge agreed that the standard taxonomic scheme was faulty, arbitrarily creating species where none really existed. He said that the Welsh specimens seemed to add up to just eight species.

That assessment irritated Dr. Maynard Smith. "Eldredge really cannot say that," he said. "It really won't wash. This is the kind of

change that separates existing species."

Even he acknowledged, however, that punctuated equilibrium correctly describes the tendency of many species to remain static over long periods, a tendency that few recognized a generation ago. Two recent American studies, both gathering detail from thousands of fossils, have lent strong weight to the punctuated model.

One, by Alan H. Cheetham of the Smithsonian Institution in Washington, focused on bryozoans, small ocean animals that encrust rocks. He found that most change

occurred in the branching events giving rise to new species. Within species, there was little evolution.

The other study, by Dr. Stanley and Xiangming Yang at Johns Hopkins, looked at 19 lineages of clams and came to the same conclusion.

"Clearly there is some gradual evolution in the evolution of life," Dr. Stanley said. "We shouldn't take extreme positions. What we really want to know is where does most evolutionary change occur. If it turns out that most change is abrupt, then we have a very interesting pattern that people haven't appreciated."

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Wednesday's **NYSE** Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Wednesday's NYSE Closing

British Firms Stand Benefit in Benefits

14 1/2	8 1/2	CC	20	22	11	18	92	9 1/2	8 1/2	9 1/2
45 1/2	27	CCGG	45	45	10	18	94	10 1/2	30 1/2	10 1/2
11 1/2	7 1/2	CCG	1.12	10.2	9	37	94	10 1/2	12 1/2	10 1/2
16 1/2	11	CF	1.26	13.7	2	22	224	11 1/2	10 1/2	10 1/2
16 1/2	6 1/2	RC	50	18	15	15	150	12 1/2	10 1/2	10 1/2
20 1/2	2	Syst	50	18	15	15	150	12 1/2	10 1/2	10 1/2
15 1/2	11 1/2	CC	1.12	4.6	7	10	212	24 1/2	24 1/2	24 1/2
5 1/2	19	PeopleP	1.12	5.5	37	10	250	24 1/2	24 1/2	24 1/2
20 1/2	19	EastU1	1.26	2.9	36	17	11488	27 1/2	25 1/2	25 1/2
70 1/2	42	Kodak s	1.80	2.6	16	17	77	77	77	77
107 1/2	55 1/2	Eaton	200	19	16	16	120	12 1/2	12 1/2	12 1/2
25 1/2	55 1/2	Echlin	50	22	7	4	466	23 1/2	23 1/2	23 1/2
33 1/2	18 1/2	Ecolog	1.80	42	72	25	1	13 1/2	13 1/2	13 1/2
44	21 1/2	Ediscon	200	28	25	15	131	14	14	14
21	11 1/2	EDO	200	28	25	15	131	14	14	14
38 1/2	14 1/2	Edward	450	25	25	8	81	17 1/2	17 1/2	17 1/2
13 1/2	14 1/2	Eltcor	1	24	25	14	36	8 1/2	8 1/2	8 1/2
22 1/2	12 1/2	Eltron	5	24	14	16	55	8 1/2	8 1/2	8 1/2
5 1/2	21 1/2	Emag	1.26	2.9	16	16	21	24	24	24
12 1/2	21 1/2	Emcint	1.26	2.9	16	16	21	24	24	24
7 1/2	5 1/2	Emmrd	1.26	14.3	14.3	17	403	7 1/2	7 1/2	7 1/2
16 1/2	22 1/2	Emmrs	1.26	2.9	17	17	5147	34 1/2	33 1/2	33 1/2
18 1/2	21 1/2	Emrod	1.26	2.9	17	17	2818	34 1/2	33 1/2	33 1/2
18	21 1/2	EmryA	1.26	2.9	17	17	1931	5 1/2	5 1/2	5 1/2
24 1/2	15 1/2	Embrih	1.26	2.9	17	17	1870	1 1/2	1 1/2	1 1/2
140	117 1/2	Emhi	2.10	1.4	9	29	152	15 1/2	15 1/2	15 1/2
24	22 1/2	EmmDs	2.12	7.1	9	10	100	5 1/2	5 1/2	5 1/2
6 1/2	5	Empr	47	6.5	9	2	182	15 1/2	15 1/2	15 1/2
24 1/2	17 1/2	Emerg	1.14	6.2	9	2	457	19 1/2	19 1/2	19 1/2
29 1/2	14 1/2	Engic	52	24	15	15	457	23 1/2	23 1/2	23 1/2
30 1/2	14 1/2	Engis	52	24	15	15	457	23 1/2	23 1/2	23 1/2
51 1/2	31	Enron	2.10	2.3	15	15	177	37 1/2	37 1/2	37 1/2
180	130	Enrn	1.26	2.9	15	15	6	137 1/2	137 1/2	137 1/2
26	14 1/2	Ensrch	1.26	2.9	15	15	42	3007	17 1/2	17 1/2
52 1/2	7	Ensrch pr	4.296	8.5	23	23	402	50 1/2	50 1/2	50 1/2
18 1/2	52	EnsrExp	1.26	12.5	23	23	673	9 1/2	9 1/2	9 1/2
11 1/2	4 1/2	Ensrh	1.26	12.5	23	23	247	4 1/2	4 1/2	4 1/2
12 1/2	12 1/2	Ensrero	1.26	12.5	23	23	471	5 1/2	5 1/2	5 1/2
25 1/2	12 1/2	Entexin	351	1.8	24	24	2021	19 1/2	19 1/2	19 1/2
22 1/2	12 1/2	EnvSys	1.26	12.7	19	19	52	13 1/2	13 1/2	13 1/2
36 1/2	12 1/2	EnvTr	1.26	12.7	19	19	490	10 1/2	10 1/2	10 1/2
31 1/2	17 1/2	Equifax	76	3.2	19	19	315	24	24	24
50 1/2	17 1/2	Equimkt	76	3.2	19	19	1304	3 1/2	3 1/2	3 1/2
25 1/2	20	Eqmkt	1.26	2.31	11.3	2	2	20 1/2	20 1/2	20 1/2
10 1/2	7	EqmR1	1.26	10.25	15	347	32 1/2	31 1/2	31 1/2	31 1/2
44 1/2	27 1/2	EqmRs	1.26	10.25	15	347	32 1/2	31 1/2	31 1/2	31 1/2
10	15 1/2	EqmEq	1.26	10.25	15	347	32 1/2	31 1/2	31 1/2	31 1/2
33	15 1/2	Eqrbmmt	52	26	15	15	324	16 1/2	16 1/2	16 1/2
44 1/2	24	Esbus	52	26	15	15	324	20 1/2	20 1/2	20 1/2
28	12 1/2	EsexCh	52	3.9	3.9	3.9	335	9 1/2	9 1/2	9 1/2
21	7	Estrine	1.26	11.8	13	14	446	19 1/2	19 1/2	19 1/2
32 1/2	15	Ethyl	1.26	11.8	13	14	446	15 1/2	15 1/2	15 1/2
19 1/2	15	Excelar	1.26	11.8	13	14	446	15 1/2	15 1/2	15 1/2
50 1/2	33 1/2	Exxon	2.00	5.8	5.8	12 14039	40 1/2	39 1/2	40 1/2	40 1/2

NYSE Highs-Lows

NEW HIGHS 3

AMEX Highs-Lows

1178 *Journal of Health Politics, Policy and Law*

Matsushita and Kodak Form Battery Venture

Agence France-Presse

TOKYO — Eastman Kodak Co. and Japan's Matsushita Electric Co. have agreed to form a joint venture to produce alkaline manganese batteries in the United States, Matsushita said Wednesday.

The new company, Matsushita-Ultra Tech Battery Corp., will be capitalized at \$30 million and 70 percent owned by Matsushita. It will start production in the first half of

1989 at a site yet to be determined, the company said.

The batteries made by the new corporation will be distributed by Matsushita under the Panasonic brand name and by Kodak under the

U.S. Automakers Report Lower Sales

butel Press International

The figures translated into an annual sales
rate of 7.3 million units, with 200,000 units

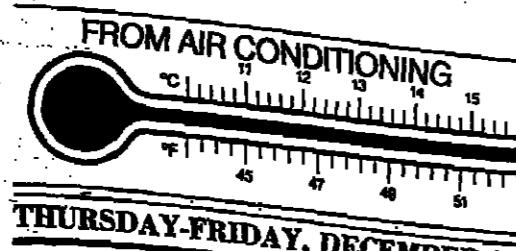
rate of 7.2 million cars in mid-December, down from 8.8 million in the year-earlier period. Last year's figures were strong because of the surge in buying to take advantage of tax benefits that disappeared in 1987.

With only one more 10-day selling period to go, car makers have sold about 6.87 million cars so far this year, down 13.2 percent from the comparable 1986 period.

GM, also declined by 10 percent in December, while Ford posted a 28.4 percent decline. Chrysler, which formally acquired American Motors Corp. earlier this year, reported a 15.1 percent slide in sales when compared with the combined total a year ago.

GM's share among the eight car makers rose to 51.4 percent from 50.3 percent. Ford's share stood at 25.8 percent, down from an unusually high 29.7 percent last year. Chrysler's share stood at 14.5 percent, up slightly from 14.1 percent.

In the light-truck category, domestic sales



THURSDAY-FRIDAY, DECEMBER 24-25, 1987

INTERNATIONAL MANAGER

British Firms Start to See Benefits in Benefiting Others

By SHERRY BUCHANAN

International Herald Tribune

LONDON — Corporate scrooges are on the way out. According to Charity Trends 1986/1987, published by London-based Charities Aid Foundation, contributions to charities by the top 200 British companies have increased 72.7 percent since 1981.

Last year the top 200 British donor companies gave £57.9 million (\$106 million) or 0.22 percent of their pretax profits to charity, compared with £13.9 million, or 0.17 percent, 10 years ago. The U.S. average is 1.7 percent.

Another expression of the increased interest in corporate giving was the creation in London a year ago of the Per Cent Club, which now has 108 members. Corporate club members give one-half percent of their pretax profits to charities, an idea that originated in the United States where Five Percent Clubs and even Ten Percent Clubs exist.

Many companies are electing to give to programs that promote local business rather than to nonbusiness causes. Some charity experts believe that's the way it should be. After all, charity does begin at home and businesses should contribute what they know best (managers, skills and training) in an area they are familiar with.

"Certainly the trend is to give more to business promotion and training for young people in the inner cities," said Michael Norton, director of the Directory of Social Change in London, an organization which provides training courses for corporate charity givers.

"Companies feel a responsibility to do something in that area which is closely linked to what they understand," Mr. Norton said. He added: "Companies should do things which have some connection and relevance to the company. It is the shareholders' money they are spending."

MANY BRITISH companies are now helping to run local businesses, setting up training programs for young people and minorities in the inner cities, helping their own staff get started in new businesses, funding secondary-school business educational programs, financing city technology colleges and providing office space and finance for start-up ventures.

Barclays Bank estimates that it has given £1.7 million in cash to charities for 1987 and £4.3 million to business promotion plans and training programs.

Douglas P. Reed, manager of social responsibility at the bank, said, "All our effort should help economic regeneration. But we have a social responsibility and we believe we should put something back in the community. In the main we are getting nothing back."

Other corporate givers are also funding causes outside the business promotion area.

Laura Ashley Holdings provides funds and furnishings for a home for mentally handicapped children. Marks & Spencer supports Help the Aged's "Lifeline Alarm" Appeal to provide old people who live alone with necklace-like alarms connected to local government offices.

"Companies might start to become more adventurous but in the main, corporate giving is still looked at in terms of business promotion," said Desmond Palmer, manager of the Community Affairs Department at Allied Dunbar Assurance, a financial services firm in Swindon, England. Allied, which gives 1.25 percent of its pretax profits to charities, is one of the largest corporate givers in Britain in percentage terms.

Eighteen months ago, Allied launched Action on Disability and Development to assist the disabled in Third World countries. More recently, it has funded a nationwide effort to provide community care for schizophrenics.

"We believe we should put something back in the community."

Deficit Widens In U.K.

November Figure Exceeds Forecast

Reuters

LONDON — Britain's current account deficit widened to £595 million (\$1.09 billion) in November, the Trade and Industry Department said Wednesday in a preliminary report. The deficit had been £282 million in October.

Expectations in financial markets had been for a deficit of around £350 million in November, dealers said.

The merchandise trade deficit, adjusted for seasonal variations,

was put at £1.19 billion in November after an £882 million deficit in October.

The other main component of the current account, trade in services, was estimated to be in surplus by £600 million in November, unchanged from October.

Exports rose to \$6.35 billion last month from \$6.37 billion in October, while imports rose to \$8.15 billion from \$7.75 billion.

The cumulative current-account deficit from January through November was estimated at £2.1 billion. The Treasury's forecast for all of 1987 is for a £2.5 billion deficit.

The volume of nonoil exports was 5 percent higher in the last three months than the previous three and was 6.5 percent above the equivalent year-earlier level. Imports were up 4.5 percent from the previous three months and 10 percent from the like 1986 period.

Trade in oil in November was in surplus by \$341 million, after a \$36 million surplus in October.

Exports rose to \$6.35 billion last month from \$6.37 billion in October, while imports rose to \$8.15 billion from \$7.75 billion.

German Trade Surplus

West Germany's current-account surplus widened to 10.3 billion Deutsche marks (\$6.32 billion) in November, according to a preliminary report. Wednesday from the Federal Statistics Office, Reuters reported from Wiesbaden.

The surplus was a revised 7.1 billion DM in October. The office, in its preliminary report for October, had said the October surplus was a 6.9 billion DM.

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Wednesday's **AMEX** Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere

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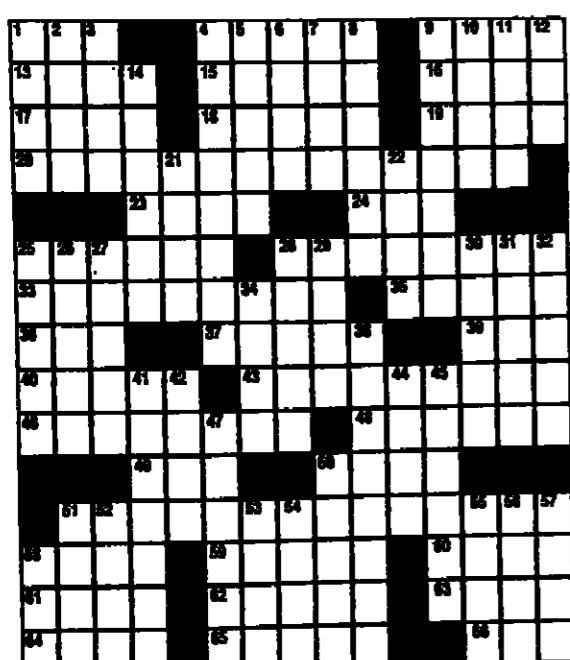
12 Month High	Low	Stock	Div.	Yld.	PE	Sis. 100s	High	Low	Close	Chg.
A										
10%	42	ABM G n				241	7	63%	7	+ 3%
12%	12	AL Lab s	.12	.12	15	14	104	86%	73%	+ 1%
13%	10	AMCO 5	.10	.23		52	44%	41%	45%	+ 5%
14%	21	AMCO 5	.05e	.17	22	61	23%	23%	22%	+ 5%
14%	5	ARC g				35	14%	13%	15%	- 1%
31%	57	AT&T				365	7%	7	7	- 1%
31%	5	ATT Cr wl				99	1%	1%	1%	- 1%
44%	30	ATT Fd	2.04e	5.4		181	38	37%	37%	+ 3%
15%	4	Abmdn				119	51%	51%	51%	- 1%
9%	13	AcmePr				22	13%	13%	13%	- 1%
9%	5	ActionU	.12e	2.1		6	5%	5%	5%	- 1%
24%	4	Action	.12i		23	90	4%	4%	4%	+ 1%
21%	11	Actn wf				13	13%	13%	13%	- 1%
1%	16	AdmRrs				11	22%	19%	19%	- 1%
18%	61	AdRsiEl	.49			49	85%	91%	91%	- 1%
43	20	Ad Rusl				263	47%	42%	42%	- 1%
19%	81	AirExp				9	113%	113%	113%	+ 1%
18%	10	Aircad 0	1.00e	7.2		49	13%	13%	13%	+ 1%
5%	4	Aikamco				52	16%	16%	16%	- 1%
10%	57	AlbaW				52	64%	64%	64%	- 1%
12%	22	Albin s				32	32%	32%	32%	- 1%
12%	41	Albin s				25	21%	21%	21%	- 1%
11%	3	Alphain				38	27%	27%	27%	- 1%
21%	43	AlphIngr				481	5%	5%	5%	- 1%
42%	16	Alta				136	27%	27%	27%	- 1%
5%	56	AmBrit	.08	1.5	31	126	51%	51%	51%	+ 1%
50%	19%	AmDont				151	15%	15%	15%	+ 1%
17%	15	AmEx	.15	1.4	16	27	10%	10%	10%	+ 1%
21%	12	AMGCT				54	18%	18%	18%	- 1%
44%	13%	AmCap				1212	54%	43%	43%	- 1%
2%	21	ACAOs				14	21%	21%	21%	- 1%
20%	3.75	ACAOs				13	20%	20%	20%	- 1%
5%	24	AEExFF				34	2%	2%	2%	- 1%
5%	55	AFFruc A				568	7%	7%	7%	- 1%
14%	55	AFFruc B				7	177	70%	71%	- 1%
4%	43	AHTMh				6	140	6%	6%	- 1%
20%	16%	AhTrPrp				154	3%	3%	3%	- 1%
10%	16%	Albion				31e	16	9	10	- 1%
13%	11	Albion				3	19%	19%	19%	- 1%
22%	5%	AmList				11	15	14%	14%	- 1%
22%	52	AMZBz	.52	1.6	6	49	12%	12%	12%	+ 1%
10%	41%	AMZBz	.52	4.0	6	5	12%	12%	12%	+ 1%
75	40	AmOil	.50e	.9	10	7	51%	51%	51%	- 1%
10%	40	APrec	.28	1.4	5	6	19%	19%	19%	- 1%
8%	34	AmRifv				226	55%	55%	55%	- 1%
10%	7%	AmRifv				175	34%	34%	34%	- 1%
6%	24	AmRifv				265	34%	34%	34%	- 1%
11%	5%	AMSwl				51e	4.7	9	11	- 1%
5%	8%	ATechC				117	2%	2%	2%	- 1%
3%	14	Amthil				18	15%	15%	15%	- 1%
27%	14%	A-exp pr				52	19%	18%	18%	+ 1%
14%	35%	A-exp sc				220	5%	4%	4%	+ 1%
92%	32%	A-exp up				1	67%	67%	67%	- 1%
70	53	A-exp up				126	61%	61%	61%	- 1%
26	8	A-exp up				34	21%	21%	21%	- 1%
12%	18%	A-exp up				101	21%	21%	21%	- 1%
78%	54%	A-exp up				76	8%	8%	8%	- 1%
23%	54%	A-exp sc				21	59%	59%	59%	- 1%
75%	50%	A-exp sc				10	10%	10%	10%	- 1%
52	24	A-exp sc				41	17%	16%	16%	+ 1%
17%	34%	A-chv sc				1	35%	35%	35%	- 1%
34	27%	A-chv sc				62	5%	5%	5%	- 1%
26%	72%	A-ko pr				15	33%	33%	33%	- 1%
72	45	A-dow s				216	21	21%	21%	- 1%
44%	14%	A-dow sc				1	73	73	73	- 1%
80%	60	A-dow sc				1	16%	16%	16%	- 1%
49%	13%	A-dow sc				50	16%	16%	16%	- 1%
60%	54%	A-dow sc				128	58%	58%	58%	- 1%
42%	14%	A-dow sc				344	20%	20%	21%	+ 1%
33%	27	A-dow sc				28	31%	31%	31%	+ 1%
43%	11%	A-dte sc				543	5%	5%	5%	- 1%
49%	64	A-dse sc				2	76	76	76	- 1%
71%	44%	A-dse sc				28	17%	16%	16%	+ 1%
26	58%	A-dm sc				46	8%	8%	8%	- 1%
46%	14%	A-dse sc				38	17%	17%	17%	- 1%
50%	50	A-ir pr				11	17%	17%	17%	- 1%
42%	12%	A-ir sc				1	72	72	72	- 1%
11%	11%	A-ini sc				1	16%	16%	16%	- 1%
24%	20%	A-ini sc				21	9%	9%	9%	- 1%
100%	21%	A-hp sc				2	123	123	123	- 1%
100%	113%	A-hp un				455	98%	98%	98%	- 1%
58%	88%	A-hp un				226	21%	21%	21%	- 1%
14%	14%	A-hp un				28	107	107	107	- 1%
96%	96%	A-mrk s				19	56%	56%	56%	- 1%
57%	41%	A-mrk sc				12	33%	33%	33%	- 1%
27%	27%	A-mob pr				92	6%	5%	5%	+ 1%
19%	44%	A-mob sc				1	16%	16%	16%	- 1%
70%	56%	A-pa pr				7	19%	19%	19%	- 1%
37%	13%	A-pa sc				47	30%	29%	29%	+ 1%
57%	37%	A-pa sc				25	48%	46%	46%	+ 1%
27%	26	A-pa sc				60	11%	10%	10%	+ 1%
57%	37%	A-sc s				1	14%	14%	14%	- 1%
38%	27%	A-unp pr				37	10%	10%	10%	+ 1%
38%	18%	A-unp sc				16	10%	10%	10%	- 1%
10%	8%	Amwest				68	1%	4%	4%	- 1%
13%	8%	Andal				1	14%	14%	14%	- 1%
34%	7%	Andrc				1	9%	9%	9%	- 1%
10%	13%	AnglFns	1.87e	13.1	8	194	7%	7%	7%	- 1%
3%	3%	AngEng				79	4%	4%	4%	- 1%
1%	1%	AngEn wt				40	2%	2%	2%	- 1%
5%	5%	ArizCm				1	14%	14%	14%	- 1%
5%	5%	ArkRst				1	14%	14%	14%	- 1%

Continued on next page)



BOOKS

Hockey



ACROSS

1 Chilling storyteller
4 Dryden's "savage"
9 Bar chaser
13 Qualified
15 City that grew tired
16 Pindar poems
17 Flowering greetings
18 Painter Dufy
19 What nuts take
20 Competitors for Edgars
23 "— poor "Yorick": Shak.
24 Sun god
25 Seven singers
28 When-and-where info
33 Cloverlike plant with yellow flowers
35 Man of La Mancha
36 Future fish
37 King's march site: 1965
39 Keresan Indian
48 Off-the-cuff words
43 State of caution
46 Cowboy stories
48 Vandike's cousin
49 Australian pest

50 Eavesdroppers' plants
51 Love-story coterie
53 Branches
55 Gershwin's "Sometime Thing"
60 Zoological suffix
61 Grand Canyon St.
62 Pedro's friend
63 Marsh
64 Fountain of music
65 Early riser?
66 Hairy primate

DOWN

1 It may make dates
2 Petruchio's imperative?
3 Flax Gordon and Franklin Menkell e.g.
4 Tills stories the go-ahead
5 Gives the go-ahead
6 Sweat producer
7 Brown: Var.
8 Uncle Sam's plea
9 Short tales
10 Skunk's protection
11 Report from Rathen
12 Snaky shape
14 Possessions
21 Pre-H.S. grades

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DENNIS THE MENACE



"IS THE DAY BEFORE CHRISTMAS EVE CALLED CHRISTMAS ADAM?"

JUMBLE.

THAT SCRABLED WORD GAME by Henri Arnold and Bob Lee

Uncramble these four Jumbles, one letter to each square, to form four ordinary words.

TOARA

BREHT

CEEDDO

GLARAN

JUMBLE

SPORTS

Soviet Hockey Team May Be on Thin IceBy Philip Taubman
New York Times Service

MOSCOW — Muscovites who came to the Luzhniki Arena in recent days expecting to savor the power and perfection of the Soviet hockey team returned home wondering if they had instead witnessed the demise of a dynasty.

After losing to Canada, tying Finland and defeating West Germany and Czechoslovakia, the Soviet squad salvaged a silver medal in the Ivetz tournament by defeating Sweden Tuesday, 4-1. Canada had secured the gold medal earlier in the day by overpowering Finland by the same margin.

The silver medal offered little solace for a once powerful team that is clearly struggling to regain its old form in the dwindling days before the Olympic Games open in Calgary in February.

After more than two decades of dominating world amateur hockey — including first-place finishes in 18 of the last 23 world championships and 8 of the last 8 Olympic Games — the Soviet national team seems mortal.

Earlier this year it placed second in the world championships in Vienna and dropped two of three games in the Canada Cup to an all-star Canadian team that included some of the best players in the National Hockey League.

"We have discovered some shortcomings," Viktor V. Tikhonov, the Soviet coach, said at a news conference Saturday.

Ken Dryden, the former Montreal Canadiens goaltender, watched the Soviet team over the weekend and concluded, "They're still the favorites for the Olympics, but they're more vulnerable than they have been for some time."

Vycheslav I. Kolskov, who took over direction of the Soviet hockey program in August, said Tuesday that the program, and the national team, have problems.

"There is a need for perestroika in hockey," he said. *Perestroika*, or restructuring, is the word used by Mikhail S. Gorbachev, the Soviet leader, for his efforts to reorganize the economy and galvanize society.

The team's problems were abundantly evident during the tournament.

Where the Soviet team once dominated play with a combination of conditioning, speed and finesse, backed up by superb goaltending, the current squad seemed only marginally better than its rivals.

Its stickhandling and passing were often careless, leading to several breakaway goals by opponents; the goaltending was porous and the team and its coach sometimes seemed unable to adjust to the swarming defenses of other teams used to slow the pace of play.

Vladislav Tretyak, the goalie who anchored the Soviet team for years, retired in 1984 and an equivalent replacement has not been found.

There was also a clear absence of depth, with the best Soviet line — right wing Serg Makarov, center Igor Larionov and left wing Vladimir Krutov — seeing more ice time than other players.

Late in the third period against Canada, with the Soviets trailing, 3-2, defenseman Vycheslav Fetisov, considered one of the world's premier players, looked exhausted.

At a crucial moment, with the Soviet players on the attack in the Canadian zone, he mishandled the puck; it slipped over the blue line, forcing his teammates to regroup.

"The rest of the world is catching up with them in conditioning, speed, and skating

skills," Dryden said, "but the Russians aren't making the necessary adjustments."

Accustomed to the nearly flawless performances of previous squads, Soviet fans showed little patience for the sloppy play against Canada Saturday. The shrillness and volume of derisive whistling increased as the game progressed, culminating in an ear-shattering whine as the Russians departed the ice at the end of the game.

But aside from the weakness in goal, which he acknowledged was a serious, long-term problem, Tikhonov suggested another month of training would produce the kind of hockey machine Moscow has consistently displayed

and an open man went on so long no one took a shot on goal.

Guy Sharpen, a Canadian coach, said Tuesday: "The Soviets are highly skilled at skating, passing and shooting, but to do those things effectively they must have space. If you can limit their open ice, you can be successful."

Dryden called the Canadian tactic the hockey equivalent of the "rope-a-dope" strategy that Muhammad Ali successfully used against George Foreman in their 1974 heavyweight title fight. Ali, going into a defensive posture in the early rounds, absorbed Foreman's best punches, leaving his opponent exhausted and vulnerable.

Both tired and disoriented in Saturday's final period, the Russians seemed incapable of doing anything but racing blindly into the Canadian defense.

It is not just game tactics that show signs of being outmoded.

The Soviet hockey system that Kolskov wants to reform, like the economic structure that Gorbachev is trying to dismantle, was constructed for another era, when the goal was building a competitive team — or industrial society — as rapidly as possible.

The Soviet emphasis on a strict training regimen and tight discipline is proving difficult to sustain in an era of increased freedoms and openness, particularly among young people.

Larionov, the most outspoken member of the team, expressed his doubts in an interview published in a recent issue of *Futbol-Khokkey*, a soccer and hockey weekly.

"I am tired of the endless training regimen," he said, complaining that he was forced to live apart from his wife and daughter 11 months a year.

Unlike other national teams, including most from Eastern Europe, the Soviet players are restricted during travel abroad, required to eat all their meals together and watched closely by team and security officials.

Another problem is the domination of hockey within the Soviet Union by the Central Army team, which forms the nucleus for the national team, depriving the best players of testing competition most of the year.

Coached by Tikhonov, the club has until recently been able to recruit the best players from other teams by inducing them into the army.

This talent drain has so crippled other teams in the internal 12-team league that the army squad has won 11 consecutive national championships by lopsided margins.

"I lost interest in national cup games five years ago," Larionov said in the published interview.

Fans lost interest too, forcing the sports authorities to move the national tournament from the indoor Olympic Stadium, which seats 45,000, back to the Luzhniki Arena, which holds about 10,000. Even promotional gimmicks like raffling off a new car during games failed to draw fans.

Kolskov said this imbalance must be changed, and he has instituted a rule that gives the sports committee the right to disapprove the transfer of players to the army team.

"I have a mandate to make changes to improve the system," Kolskov said. "Otherwise I wouldn't have taken this job. *Perestroika* in hockey is going to take a long time — there's a lot that has to be done."

"But not so much that he has lost hope for Calgary. "This team can play much better," he said. "And it will in the Olympics."

The view among hockey specialists, including a number of opposition coaches and soviet experts, is not as sanguine.

Although the line of Makarov, Larionov and Krutov is considered the equal of any, including the best in the NHL, the team lacks a second or third unit with equivalent scoring punch.

"Ten years ago we could throw two or three powerful lines on the ice, so the offensive pressure never stopped," said one Soviet hockey writer.

The lack of flexibility Dryden noted is another factor that seems unlikely to change overnight, unless Tikhonov is replaced. Kolskov, his boss, denied any change is imminent, saying "I am satisfied with the coaching."

The rigidity of Tikhonov's offensive philosophy was exploited by the Canadians, who concentrated on clogging open areas of the ice, particularly in the neutral zone between the blue lines, where the Russians usually form their attack.

Playing a basically defensive game, with four players hanging back along their blue line to thwart attacks, the Canadians kept the Russians off balance.

The Soviet players reacted by forcing their game, making mistakes as they tried to break past defenders or pulling back into a textbook passing offense in which the effort to

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ART BUCHWALD

Gifts for Gift Makers

WASHINGTON — New "Cost of Living Guidelines" have just come out as to how a family of four should spend its income. They note the following: The head of the household is advised to allocate 25 percent for housing, 25 percent for food and 30 percent for Christmas.

Neil Morgan, an economics professor at the Black Monday School of Economics, came up with the new figures after studying 8,000 homes throughout the United States.

"The thing I discovered was that although many families are following the formula, there are still many who cheat and spend more on groceries than on the holidays."

"Did you find out why?" I asked him.

"Their answers in most cases were unsatisfactory. One breadwinner told me it was traditional in his family to spend more on food-stuffs than Christmas and old habits are hard to change. Another said he would rather buy oil for the furnace than a Cabbage Patch doll that says 'So's your old man.'"

"It sounds like they have bad attitudes."

"They do. The 50 percent allocation for Christmas doesn't come out of the sky. It was carefully calculated so the family would not be caught short on presents during the most festive time of the year. It might have been lower except prices have gone through the roof and it now takes a person twice the man-hours to earn a popcorn maker as it did a year ago."

"I could see some people wanting to spend more on edibles than on Christmas, but why would they insist on increasing expenditures for housing?"

New York in One Volume

United Press International
NEW YORK — A one-volume encyclopedia of New York will be published in 1991, the New York Historical Society and Yale University Press announced.



Buchwald

"Once again it boils down to greed and selfishness. In my interviews I found hundreds of people who said they would rather have a house that doesn't leak than a pool table."

"How could they defend that position?"

"They insisted giving gifts is a bottomless pit. They wouldn't buy my economic theory that exchanging presents at the holiday season is not a luxury but a necessity. Every dollar invested in Christmas will bring you back two dollars worth of good will in return. It is a bribe we all pay for peace and security whether it be for our children, grandchildren, mothers-in-law or the postman who never rings twice."

"Have you thought about increasing the slice of the pie to 60 percent instead of 50?"

"It would be ideal to lower housing and food spending to 30 percent and raise the holiday giving to 70 percent of one's salary. But this might not go down well with the grocery and housing people."

"That's because they don't believe in Christmas."

"The malcontents who want to reduce gift expenditures have their priorities all mixed up. They would rather eat bread pudding than invest in electric trains. They don't give a fig if the children are happy or not."

"If a family were to adhere to your salary breakdown figures, would they get by?"

"Indeed. They should be able to meet all their needs and still have enough left over to play 'My Old Kentucky Home' on their new synthesizer."

Professor Morgan said while he hopes people will abide by his formula, the percentages are not burned in cement. "There are some families who prefer to spend all their money on Christmas and ignore eating altogether, and others who would opt for sleigh bells in the snow instead of replacing storm windows."

"Should the ones who don't buy gifts at Christmastime be penalized?"

"Not necessarily. But they must be aware that every time they take someone off their list a teddy bear manufacturer in Hong Kong dies."

TODAY'S

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Appears on
page 10

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A New Image of Stephen Crane

By Herbert Mitgang
New York Times Service

NEW YORK — A markedly altered image of Stephen Crane that changes the familiar view of him as a dashing war correspondent appears in a new edition of his correspondence. The work adds 170 newly discovered letters by Crane and 20 by his wife, Cora, to the standard edition of his letters that came out three decades ago.

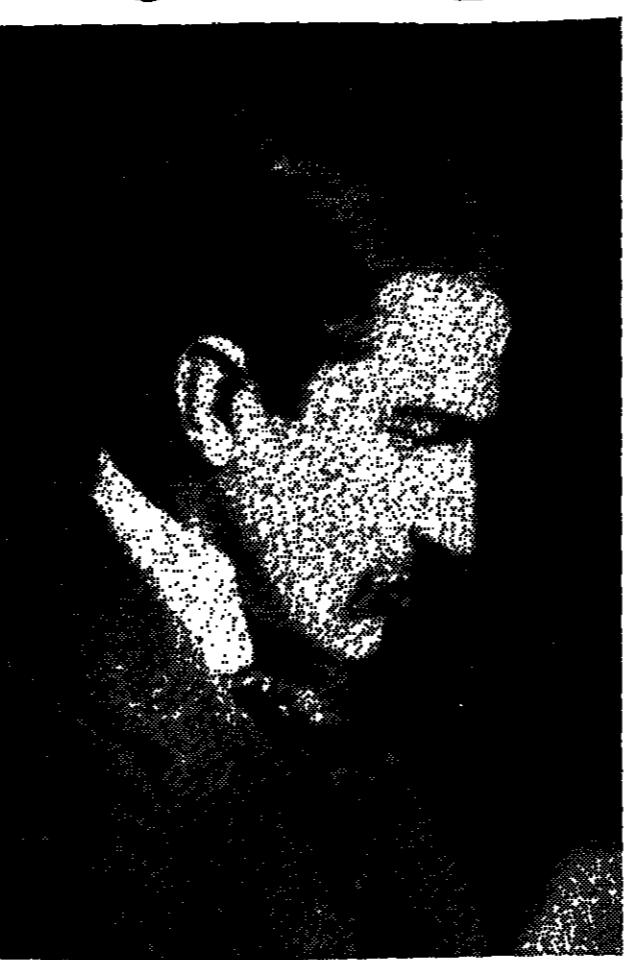
"In the past, Crane was regarded as a young American writer with only one good book to his credit, 'The Red Badge of Courage,' who was scorned by his countrymen and had to flee to England to gain recognition," said Professor Stanley Wertheim, who is co-editor with Professor Paul Sorrentino of the two-volume "Correspondence of Stephen Crane." It is to be published by Columbia University Press in March.

"The letters remove some of the covered-up facts about his life and characterize what were created by biographers in the past," Wertheim said. "The personality found in the new material is less heroic than the one propagated by his apologists. Crane was not a neglected genius overlooked by a philistine public. He was often duplicitous, elusive and manipulative with people who loved him as well as with his publishers. Crane was an enormously hard worker, but he was willing — especially after he settled on an estate in England with servants and a wine merchant to pay — to labor at hard work to support his extravagant way of life."

Wertheim, who teaches at William Paterson College of New Jersey in Wayne, New Jersey, and Sorrentino, of Virginia Polytechnic Institute and State University in Blacksburg, Virginia, believe that certain missing letters — especially those between Crane and his common-law wife, Cora Taylor, the one-time hostess of a bordello named the Hotel de Dream in Jacksonville, Florida, where they met — may still turn up.

In his personal collection,

Wertheim has a photograph of Crane in a rented war correspondent's uniform, complete with



A less heroic, often duplicitous, manipulative Crane.

holster, sitting on papier-mâché rocks. "It wasn't taken on a battlefield but in the studio of C. Boehringer in Athens in May 1897," Wertheim said. "The inscription is to Sam S. Chamberlain, managing editor of The New York Journal, who sent Crane to Greece to cover the Greco-Turkish War."

While acknowledging Crane's genius, the editors show a certain ambivalence on a question long posed by scholars: how might Crane have developed had he not died of tuberculosis at age 28? Would he have written short stories of the caliber of "Open Boat" and "The Blue Hotel" — or would he have thrown away his gifts in pursuit of money?

"It's hard to predict," Wertheim

said. "The letters reveal that Crane was a flamboyant personality who was both reclusive and mercurial, retaining his inner identity while projecting varied images of himself. He was alternately egocentric and generous, ethical and dishonest, rebellious and overly concerned about his reputation."

In his personal life — between journalistic assignments — Crane managed to juggle several love affairs simultaneously. While wooing Cora Taylor, he wrote fervent love letters to Amy Leslie, an actress who later became drama critic of The Chicago Daily News.

Crane covered his tracks in these affairs. In a letter to Leslie, addressed, "My own Sweet-

heart," he informed her that he was going off to the war in Cuba and said: "It breaks my heart to think of the delays and to think that I might have had you with me here if I had only known. . . I know you won't forget me. I know you love me and I want you always to remember that I love you." The letter, signed "Your lover," deliberately omitted his name.

Surprisingly, one letter discloses that the author of the anti-war "Red Badge of Courage" wanted military honor for himself. In an 1897 letter to his brother, William, from a hotel in Athens, Crane said: "I expect to get a position on the staff of the crown prince. Won't that be great? I am so happy over it I can hardly breathe. I shall try — I shall try like blazes to get a decoration out of the thing but that depends on good fortune and is between you and I and God."

Wertheim commented: "It seems paradoxical that a writer who had exposed the futility of war and expressed an extremely cynical attitude toward heroism should just for a decoration, but Crane's vainglorious boasts must be evaluated in the perspective of his guilt feelings over his youthful bohemianism and his desire to ingratiate himself with William, who was 17 years his senior."

To keep up with his living on his estate in Surrey, Crane turned out stories without letup, not unlike what F. Scott Fitzgerald did when he was grinding out short pieces for *The Saturday Evening Post* in the 1930s. To John Phillips, a partner in the S.S. McClure Syndicate, Crane wrote a letter in 1897, wondering: "What on earth have you done with 'The Monster'?"

"This was a story about a black handyman who worked for a doctor in New Jersey," Wertheim explained. "It showed Crane's great sympathy for people who were different — blacks, the disabled, eccentric and unusual — maybe like Crane himself." Wertheim considers "The Monster" one of Crane's best stories. Crane wrote, "For heaven's sake, give the story a chance."

PEOPLE

A Kafka Comeback?

A Czech cultural weekly has printed an unusually long article on Franz Kafka, whose works are highly acclaimed in the West but have been disparaged and barely acknowledged in his native Prague. The one-and-a-half-page article on Kafka's last completed novel "The Castle" in the weekly *Tvorba* opened with a plea to reassess long-ignored Czech and foreign literature. (Kafka wrote in German.) *Květnová* said the literary periodical *Nový Knihy* (New Books) should have a regular column "for those works of Czech or world literature which for this or that reason have disappeared beyond the horizon, leaving an empty space or, even worse, an inadequate and sometimes considerably distorted image." *Hvězdná*'s article, entitled "Newly Rediscovered Books," was accompanied by a poem about Kafka's death in a sanitarium near Vienna in 1924 and a lithograph of the author, born in Prague in 1883.

Jean Harris, the killer of Dr. Herman Tarnower, the Scarsdale Diet author, says she is keeping up her spirits in prison by working on a second book. Harris, 63, told the Stamford Advocate in Connecticut that her nearly completed book is titled "They Always Call Us Ladies: Stories from Prison." The book is a history of the prison in Bedford Hills, New York, since its founding as a women's reformatory in 1901 and also contains anecdotes about current inmates. Harris said, "It is scheduled for publication in June by Charles Scribner's Sons. Her first book, "Stranger in Two Worlds," was autobiographical. Harris is serving a 15-year-to-life sentence for shooting Tarnower to death in his home on March 10, 1980. She has maintained she shot him while trying to kill herself.

The 1988 Wolf Foundation prize in medicine will be awarded to an American and a Belgian doctor for their discoveries in the field of genetic diseases. The \$100,000 prize will be shared by Elizabeth N. Neufeld of the University of California at Los Angeles and the Swiss Giovanni Gori. The Foundation's Cabinet approved a recommendation made earlier this month by a special court to lift the constitutional ban on the 81-year-old former queen of the House of Savoy. The Belgian-born Maria José, who lives in Switzerland, made a request last year to return to Italy. Her husband, Umberto II, died in exile four years ago. Umberto reigned for 30 years before being forced into exile in 1946 after a referendum abolished the monarchy.

A junk dealer handed out cigarette lighters and a mushroom picker sipped champagne to celebrate their luck in Spain's El Gordo, the yuletide lottery.

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